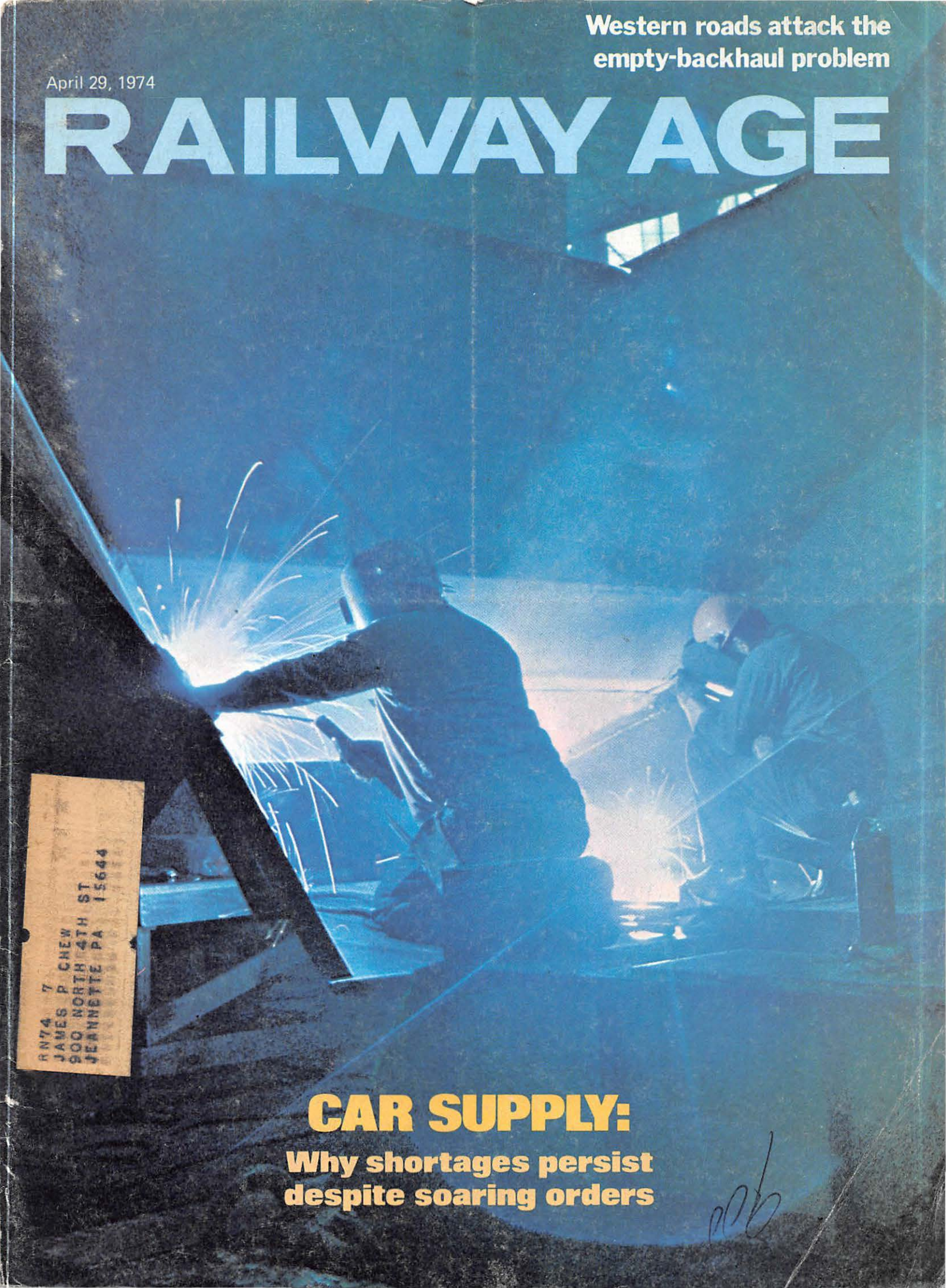
Western roads attack the empty-backhaul problem

April 29, 1974

RAILWAY AGE



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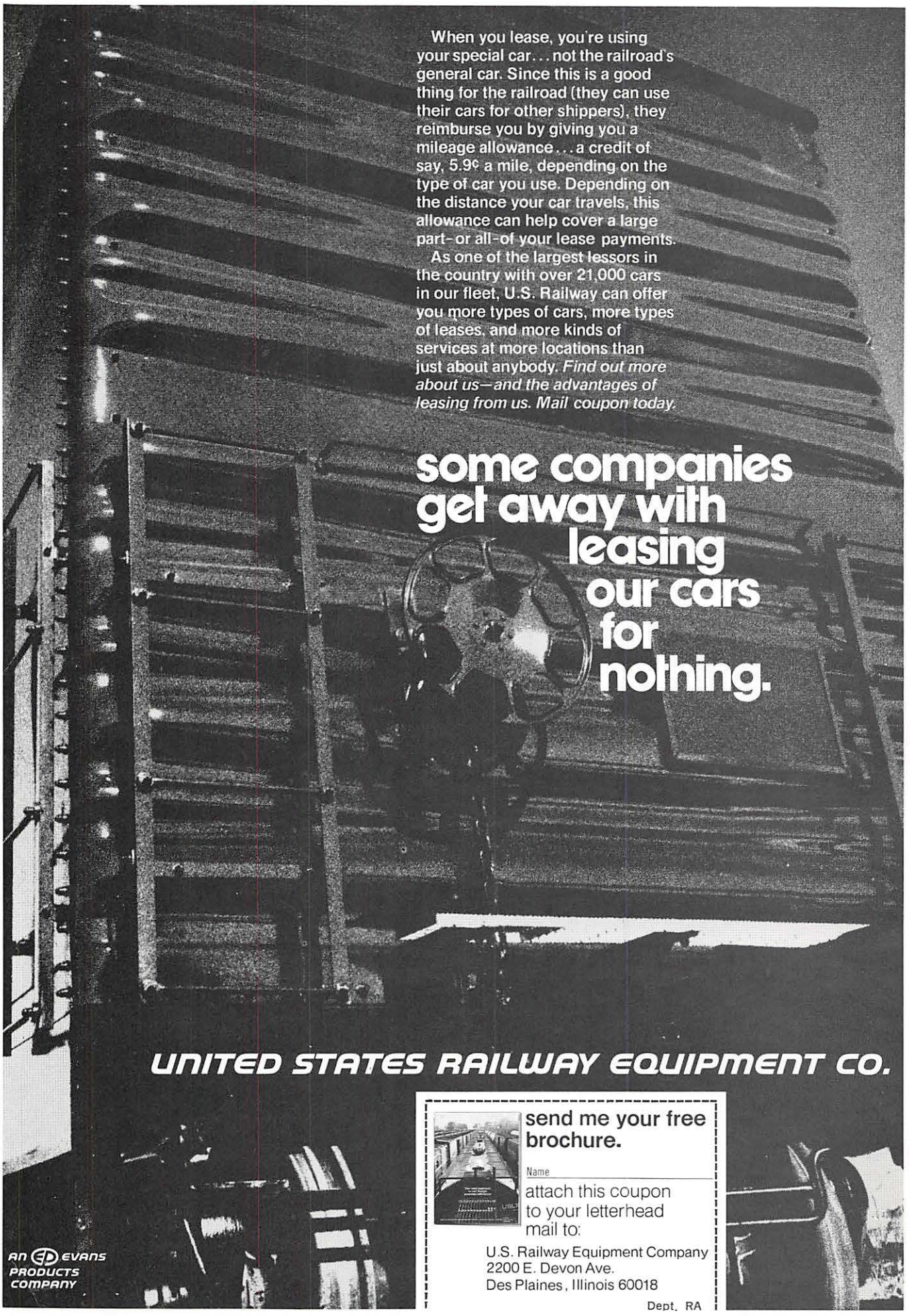
CAR SUPPLY:

Why shortages persist despite soaring orders


When you lease, you're using your special car... not the railroad's general car. Since this is a good thing for the railroad (they can use their cars for other shippers), they reimburse you by giving you a mileage allowance... a credit of say, 5.9¢ a mile, depending on the type of car you use. Depending on the distance your car travels, this allowance can help cover a large part- or all-of your lease payments.
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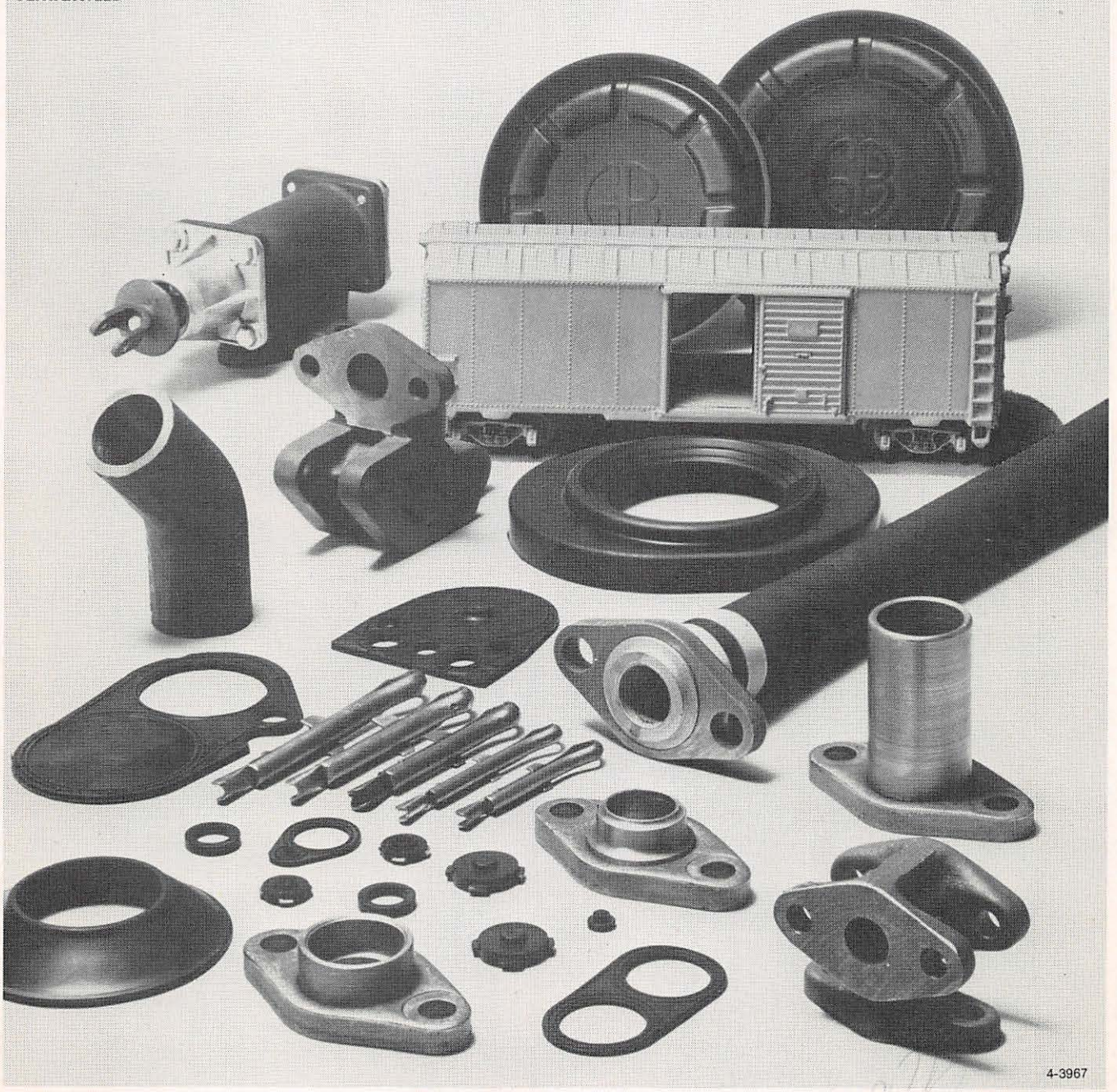

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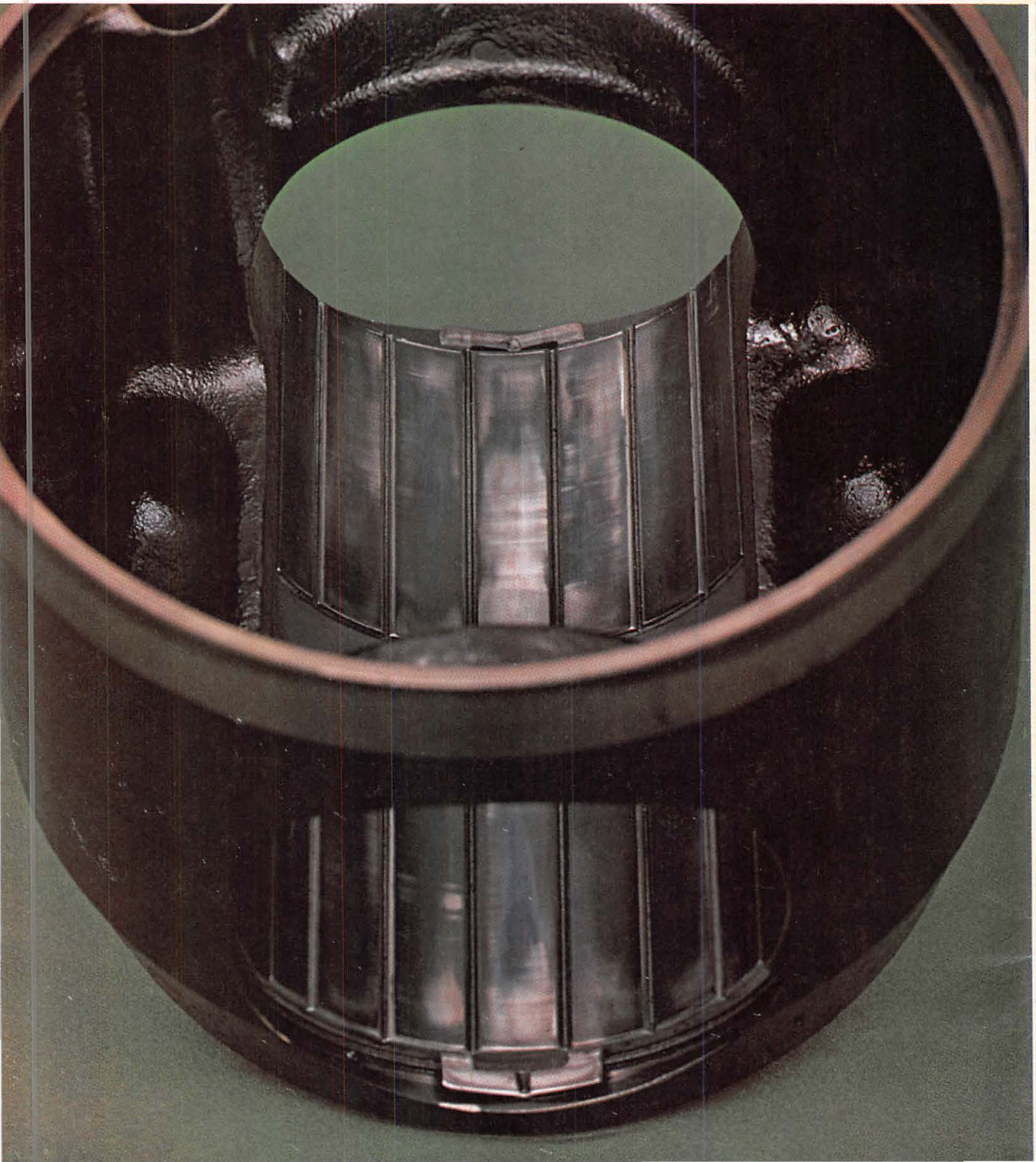
Caprinus™ T Oil 40 extend engine service life



helps Shell customers and oil drain intervals.

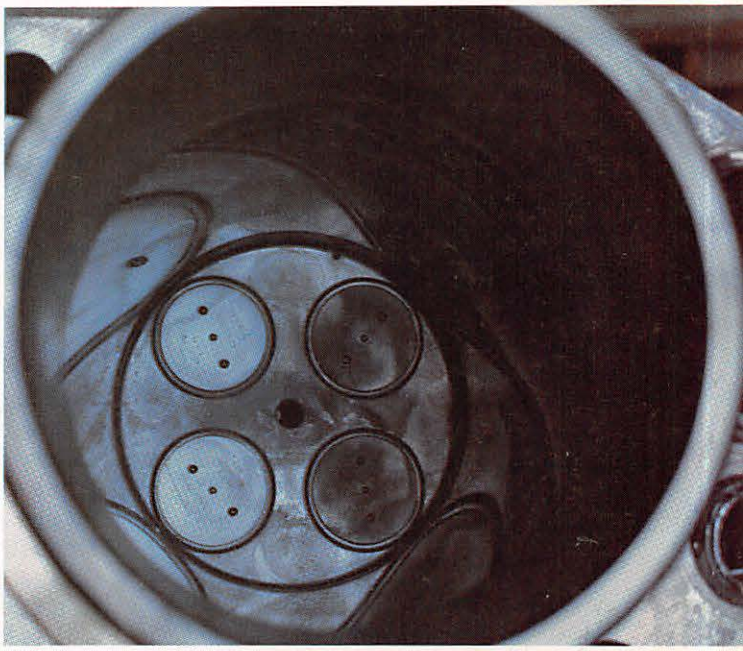
Shell's CAPRINUS T Oil 40 offers the performance Shell customers need today to operate diesels at peak efficiency. For example, look at the condition of the EMD SD-45 and GE U-36 parts shown here after 100,000 miles on CAPRINUS T Oil 40. All are ready for continued service—a tribute to this oil's lubrication and antiwear properties. There are other equally important benefits.

Leave CAPRINUS T Oil in the crankcase of many engines indefinitely.

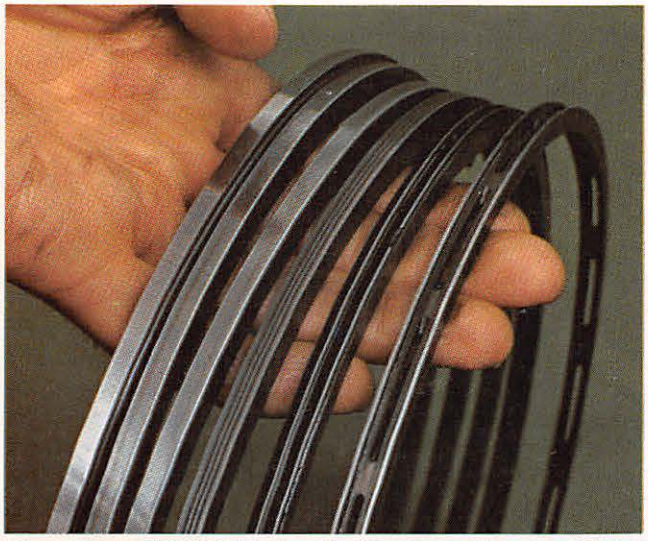
It is not necessary to drain CAPRINUS T Oil at the end of any set operating period—thanks to its outstanding lubrication properties, dispersancy and alkalinity-retention. In many cases, you can operate *indefinitely* without a drain at no sacrifice to performance.

Since most engines require some mechanical work at least every two years, this means you can reasonably plan on about 24 months in normal service without a change. Think of that in terms of money saved and oil conserved!

Shell recommends CAPRINUS T Oil 40 for severe service in both 2-stroke and 4-stroke power because it offers: (1) long-term alkalinity to fight corrosive combustion products and help preserve engine life, (2) high dispersancy to keep piston under-crowns and other engine parts clean, (3) superior resistance to oxidation, contributing to long oil service, (4) control of ring belt deposits and (5) anti-wear properties.



Note the absence of ash deposits on the cylinder liner and head from a GE U-36 that operated in excess of 100,000 miles on CAPRINUS T Oil 40.



Rings from an EMD SD-45 after 100,000 miles on CAPRINUS T Oil 40 show V-grooves clearly. Wear was low, and none of the rings was stuck. After 100,000 miles, rings on the GE U-36 also showed no scuffing or sticking and very low wear. Ring gaps were well within new parts tolerance.

◄ Silver wrist pin bushing from an EMD SD-45 after over 100,000 miles on CAPRINUS T Oil 40. There is no feathering on the edges of the six grooves and most of the lead flashing is still present.

If you're a Shell customer currently buying other Shell engine oils for your diesels, think about CAPRINUS T Oil 40. It was designed to help you get long overhaul life in today's high horsepower engines and low maintenance costs resulting from extended filter change-out periods and extended oil drain intervals. And, for good conservation, you'll save lubricants too.

For more information about CAPRINUS T Oil 40, write: Shell Oil Company, Attn. Mgr., Commercial Advertising, One Shell Plaza, Houston, Texas 77002.

Caprinus T Oil

SHELL

Circle 5 on Reader Service Card

RAILWAY AGE

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Inside

LUTHER S. MILLER

CAR SUPPLY PARADOX

A year ago this country was in the throes of a critical freight-car shortage—a situation that was more than adequately publicized at the time. Shippers made phone calls; Congressmen made speeches; and the railroads were made to look like laggards holding up the march of progress.

Today the car shortage is numerically every bit as critical as it was a year ago (see table). Yet the hue and cry and invective of springtime 1973 are largely absent. This could be, as one railroader suggests, because the country in recent months has become so inured to crisis of one kind or another, and shortages of all kinds, that one more crisis or one more shortage hardly penetrates the national consciousness.

There may be something to that. But equally important may be the fact that shippers are convinced today, as they were not a year ago, that the railroads are doing all that is humanly and corporately possible to alleviate car shortages. Last year railroads and private car lines ordered more than 105,000 new cars, more than double the previous year's level. And they are moving in other ways to give shippers the cars they need—through such industry-wide efforts as TRAIN I and II; through such individual-road efforts as Santa Fe's highly successful "Regular High Frequency" trains, which quite literally move traffic by the clock (RA, March 25, p. 42).

Despite all of this, car shortages right now are worse than they were 12 months ago—a paradox which Mechanical Editor Fred Houser explores in this issue's cover story (p. 21).

Car Shortages

Week Ended March 30, 1974		Week Ended March 31, 1973	
Plain Box	13,767	Plain Box	15,674
Equipped Box	1,638	Equipped Box	1,781
Covered Hoppers	9,130	Covered Hoppers	14,993
Gondolas	6,991	Gondolas	2,296
Open Hoppers	4,535	Open Hoppers	2,161
Flat Cars	2,617	Flat Cars	1,032
TOTAL ALL CARS	**39,229**	**TOTAL CARS**	**38,785**

INTERSTATE RAILROAD SYSTEM?

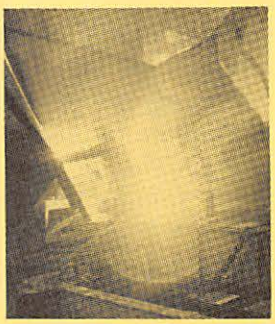
The notion of a Federally-aided Interstate Railroad System, analagous in some ways to the Interstate Highway System (except that it would cost the government far less), is a popular one among those enlightened legislators who feel that railroads have missed the Federal gravy boat. It has surfaced again in the Interstate Railroad Act of 1974, introduced April 10 by Senators Weicker (R.-Conn.), Hartke (D.-Ind.), and Hathaway (D.-Maine). Briefly, the bill calls for designation of an interstate rail system of "selected main lines maintained to high standards," and financed largely with Federal aid—$1.5 billion over a three-year period in direct grants (or about one-fourth of one year's outlays for interstate highways), plus $1 billion in loan guarantees.

The concept is attractive; but the mechanism for implementing it could be a cog in the nationalization wheel. Railroads will want to take a careful look at the Weicker-Hartke-Hathaway bandwagon before putting it on the track.

RAILWAY AGE

APRIL 29, 1974

FEATURES



COVER

The photograph of a Pullman-Standard production line at Butler, Pa., was taken by Don O'Barsky, P-S photographer.

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Short and Significant

RAILROADS GO FOR 10% RATE INCREASE

In seeking a 10% across-the-board freight-rate increase, U.S. railroads have cited their rapidly deteriorating cash reserves and revenue levels which are inadequate to meet rising costs and capital commitments. The proposed increase, largest sought in years, follows the 4% rate rise which was effective March 4. The industry is also asking ICC that its fuel surcharge, based on higher oil costs, rise to 3.0% from the present 2.8% on May 1. After initial reservations about the effect of the proposed 10% rate rise, Southern Railway went along with other railroads as President W. Graham Claytor, Jr., noted that "inflation has been wiping out the modest gains made by the industry in 1973." He expressed concern about the financial position of several presently solvent roads.

EQUIPMENT BUILDING TOTALLED $2.4 BILLION

Railroad equipment producing plants, reports the U.S. Census of Manufacturers, had a 1972 volume (value-of-shipments) of $2.42 billion and employed 50,200 workers. Dollar volume, unadjusted for price changes, was up 40% over 1967. This survey, made at five-year intervals by the U.S. Department of Commerce, does not reflect the 1973 upturn in buying of freight cars. The 1972 production of locomotives and parts and of cars and parts represented an employment decrease of 11% from 1967 and 6% from 1971, while the value-added-by-manufacture rose 40% over 1967 and 8% over 1971. The value-added-by-manufacture, up $1.1 billion from 1967 to 1972, is considered a closer measure of the net contribution of the industry to the nation's economy than is value-of-shipments, explains the Commerce Department.

CHESSIE: COAL IS BETTER THAN EXPECTED

With the growing demand for coal for generation of electricity and production of steel, Chessie System is finding that there will be more new mines feeding it traffic than had been projected. Already it is known that earlier predictions for 21 new mines operating along Chessie this year are too low. And in the first quarter of 1974, the road's coal development people have been engaged in negotiation or discussions involving an additional 31 mining operations.

PC NOT SPECIAL CASE, SAYS CREEDY

Penn Central problems arise essentially because it has been forced to subsidize shippers because these freight customers are unwilling to pay rates that are sufficient to meet the railroad's expenses. Calling this "not sensible" in the wealthy Northeast, President John A. Creedy of the Water Transport Association sees the problem as national, not just regional, and involving all transportation. "The railroads are simply in more trouble than anyone else," says Creedy. "If it develops we can't find a free-enterprise solution for railroads, will trucks or water carriers be very far behind in a total slide to nationalization of transport?"

SIGN OF THE TIMES?

The Highway Research Board was founded in 1920 as part of the National Research Council. It is financially supported, currently, by its members, by UMTA, and by the Federal Highway Administration. Now it's not the Highway Research Board but, instead, the Transportation Research Board. The change, TRB says, "reflects the nationwide trend. In 23 states, state highway departments have evolved into or have become part of state departments of transportation." TRB points out that it has become increasingly active in mass-transit research over the past 15 or so years; over the next 18 months it plans expansion of activities which will include research in aviation, rail and pipeline transportation.

L.A. PONDERS BUILDING-BLOCK APPROACH

Los Angeles, with a plan for a $6.6-billion rail transit network (RA, Aug. 13, 1973, p. 13) that has been a major target of a DOT campaign against "fixed-guideway" systems, has come up with a revised plan which is longer-term than the first, but still aims at an eventual 240-mile system. The plan, subject to approval by the board of directors of the Southern California Rapid Transit District, suggests a number of possible alternative "starter" rapid-transit systems, contingent on the amount of Federal funding available. Alternatives for the first stage range from a 33-mile, $2.45-billion system by 1981 with only up to 10% Federal aid, to a 121-mile, $6.9-billion system by 1983 with 60% to 70% Federal aid. In the meantime the plan calls for bus improvements, particularly priority lanes. Local funding for the first-stage transit system would be financed by a 1-cent sales tax that faces public vote in November.

LANDBRIDGE RECORD FOR NW

After strikes closed northeastern piggyback terminals, Norfolk & Western handled its largest "landbridge" shipments in mid-April as Seatrain diverted to Norfolk, Va., 120 eastbound containers moving from Japan to Europe and a like number moving in the opposite direction. Santa Fe handled the trains between Oakland, Cal., and Kansas City.

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RPI

Circle 6 on Reader Service Card

MP bullish on Mexico-U.S.-Canada traffic

To landbridge and minibridge, now add the "North American Rail Route"—linking Canada, the United States and Mexico in what could one day become virtually a single-line rail route.

Landbridge? It has yet to get going in a major way, although some traffic is moving on routings with ocean hauls at both ends and rail in the middle. Minibridge? It's going great guns. North American Rail Route? It's got prospects—and Missouri Pacific, for one, thinks it has got hot prospects.

This is something MoPac has been working on for a long time. On the south end, MoPac has been represented in Mexico since the late 19th century. Only recently, though—with acquisition of Chicago & Eastern Illinois—has it had direct connections with major links to Canada including, importantly, Grand Trunk Western and Soo Line at Chicago. Now, MoPac is ready to go—with its eye very much on trade, present and projected, between Canada and Mexico as well as between the U.S. and the other two nations.

Joseph A. Austin, vice president-traffic, talked about today and tomorrow, at a seminar on foreign trade and transportation in Mexico City:

"North America is a major world economic bloc. In 1972, we had a combined GNP of $1.2 trillion. Together, our three nations form the richest contiguous market in the world.

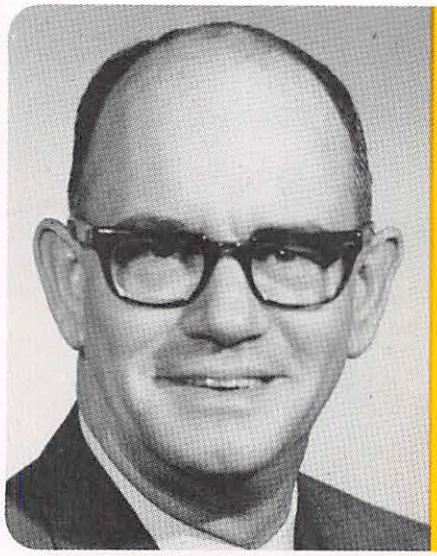
"There is a long tradition of trade among our nations. And in recent years it has been growing markedly. From 1967 through 1972, Mexican exports to Canada rose by 131%, while her imports from Canada advanced by about 33%. Among the commodities Mexico ships in quantity to Canada are tomatoes, fluorspar, coffee, frozen strawberries and orange juice concentrate, twine, extracts for bottled drinks, lead oxide, hides, salt, peanuts and canned pineapple. Mexico, in turn, receives from Canada such items as powdered milk, asbestos, newsprint, iron and steel sheeting, pulp and unfinished paper, harvesters, automotive parts and many kinds of machinery.

"The U.S. is a major partner in trade for both Canada and Mexico. In 1972, the U.S. imported nearly $15 billion in goods from Canada while exporting products valued at a little more than $12 billion. Mexico's exports to the U.S. during the first six months of 1973 totaled $640 million, while her imports from the U.S. amounted to $682 million.

● **More growth coming.** "It seems a safe assumption that trade among the three nations will continue to grow," Austin noted. "Canada is a rich repository of natural resources of all kinds. Mexico, while building its own self-sustaining industry, needs Canada's raw materials and the United States' technological equipment to feed its industry. Mexico, in turn, has a wide variety of products to offer both Canada and the U.S., not only foodstuffs and raw materials but, eventually, quality manufactured goods. Further stimulating trade among the nations of North America will likely be eco-political policies adopted by other world trade blocs to stimulate internal trade among the nations of those blocs while tending to exclude us. Finally, as the world's supply of energy deteriorates, the costs of transoceanic shipping can be expected to rise sharply, making it more difficult to market profitably and competitively in distant markets."

Austin, participating in the trade seminar along with MoPac President John H. Lloyd, is not bashful in talking about how the three-nation transportation market can be capitalized upon. MoPac System, he points out, is present at four gateways—Hidalgo, Brownsville, El Paso and Laredo, of which the most important is Laredo. Until 1967 and the acquisition of C&EI, however, "we were still quite distant from the Canadian border and as a result we were just another among many U.S. railroads handling U.S.-Canada trade." Now, however, things have changed. MoPac has just about completed a comprehensive upgrading of C&EI's plant and service. With the C&EI/MoPac capability for bypassing the St. Louis gateway, the system "now offers service between the Great Lakes and the Mexican border unsurpassed by any other carrier. MoPac is today the only U.S. rail system which can offer single-line service all the way from Chicago to Laredo, a capability which is highly important to firms making shipments by rail between Canada and Mexico."

How good is the service? Joe Austin cites MoPac's connections with GTW and Soo Line and other roads interchanging with Canadian National and CP Rail. He cites the direct connection with Ferrocarriles Nacional de Mexico at Laredo, and the short-line route operated by NdeM between the border and Mexico City. His transit-time estimates: Two days between Chicago and major Canadian points, such as Montreal and Toronto; third-morning service, under normal conditions, on the Chicago/Laredo route; and third-day delivery on Laredo/Mexico City traffic.



"We are truly excited by what we see today in this great North American market . . .It has potential far beyond anything any of us may imagine."

Joseph A. Austin, Missouri Pacific

● **Interest high.** What are the prospects for development of this kind of through traffic? Says Austin: "Our MoPac sales office in Toronto reports that more than half of all queries it handles from Canadian shippers involve trade with Mexico. Our offices in Mexico City and Monterrey have also noted this growing interest. Representatives of Missouri Pacific have held several meetings with their counterparts on Canadian National and CP Rail, outlining some of the new transportation-by-rail possibilities that now exist. There is a great deal of enthusiasm. As a result, the Canadian roads, as well as MoPac and the railroads of Mexico, are going to be far more aggressive in building interest in North American trade."

And as the trade grows, Austin adds, "I would hope that rail service will be improved. Today, it is pretty good. Tomorrow, it could be superb."

There is, however, a catch in all this—and, as might be expected, it has to do not with the railroads involved but with the fact that traffic is moving across international borders. But, MoPac's traffic vice president is hopeful: "We would anticipate that eventually the governments of the three nations can find ways to simplify the documentation now required in intra-North American trade. Right now, we are losing precious days as a result of the paperwork, and many shippers shun this type of trade because of the complexities involved."

And on down the line? "Perhaps farther in the future is the possibility of runthrough trains coursing across the three nations, intracontinental express trains. Instead of interchanging traffic at Laredo or Chicago, it might be possible to start a train at Mexico City and run it straight across both borders to Montreal, with the participating railroads pooling locomotive units. This, too, would speed transit by at least two or three days."

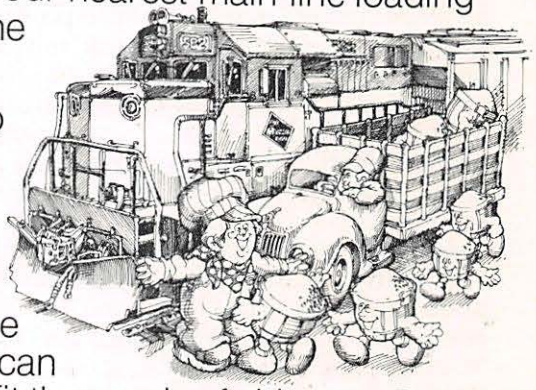
Understandably, Austin puts MoPac in the forefront, in both intentions and expectations: "We plan to do everything we can to create interest in this new North American Rail Route and to do our best to stimulate trade among the good neighbors of North America. . . . We are truly excited by what we see today in this great North American market. We also believe that it has potential far beyond anything any of us may imagine."

Will it fly? Obviously, MoPac is going to have to contend with imbalances of traffic. Obviously, too, other roads now handling pieces of the international action will fight to hang onto those pieces and make them bigger. But, MoPac appears to be in first, in a public way, with something new to offer. And, you have to remember, there were people who never thought minibridge would work.

How we team trucks and trains to get grain to market.

Sometimes the best way to ship on the Milwaukee Road is not *completely* by rail.

In the plains states, for example, some of the grain elevators we serve are located on light density branch lines. To help speed shipments from these points to the market centers and better utilize our freight car fleet, we use the trucks of our subsidiary, the Milwaukee Motor Transportation Co. A quick drive from the elevator to our nearest main-line loading point... then on to the market by rail.



At a savings of up to several days over the all-rail route.

Service like this to our branch line customers is just one example of how we can tailor our service to fit the needs of shippers. Perhaps we can do the same for you.

Whatever you ship, wherever you sell it, we'd like the opportunity to work with you in getting your goods to market. We're a railroad. But our business is *total distribution*.

THE MILWAUKEE ROAD

America's Resourceful Railroad

Lines on Labor

GUS WELTY

DONE, AND WELL DONE

It was a major reconstruction job—tearing down the weakened parts of the Railroad Retirement system and building a new system to a design which will (1) be fair to all concerned and (2) restore financial soundness to a system which was headed for financial collapse. It was a major undertaking—but rail management and union negotiators brought the job in and they did it right on their completion deadline of April 1. Congress, hopefully, will recognize and acknowledge the efforts that went into this Railroad Retirement rebuild, as it now goes to work on approving the implementing legislation.

COMPLEX PROBLEMS—AND COMPROMISE SOLUTIONS

As the negotiators point out to Congress, "The problems we have dealt with are exceedingly complex. It is one thing for labor and management representatives to negotiate the staple ingredients of collective bargaining contracts—wages and the like. It is quite another thing for them to attempt to accommodate their respective interests in connection with matters as baffling as the intricacies of the Railroad Retirement and Social Security systems." The negotiators' assignment, briefly put, was to put the system on a sound financial basis and to correct inequities in the existing system—and they clearly believe they have fulfilled the assignment: "Concessions were made by each side in recognition of concessions made by the other side. The resulting group of recommendations, therefore, are inter-related in the sense that, taken together, they represent the parties' view of the most reasonable accommodation of all relevant interests. The parties strongly urge the enactment of these recommendations into law."

ONE DOWN—AND A LEG UP ON "MORE TO GO"

So, management and labor have proved once again that it is in fact possible for them to work out their own problems. The proof is welcome—because yet to be disposed of issues this year are those "staples" of a collective bargaining agreement. And what happens there? Well, in an inflationary economy, labor is understandably restless, but labor has perhaps not lost its sense of the practical. Consider what a union president recently told the members: All union goals, he said, should really be brought together and settled as a package; management, he pointed out, "naturally will treat pension changes and improvements as cost items and those items will enter the over-all bargaining picture one way or the other. The cost of a collective bargaining 'package' includes everything in that package. The carriers always compute a cost factor for each item involved. . . .If we were to give priority to improvements in job stabilization, for example, we would have to recognize the cost-impact of such an agreement on the whole package and adjust the other elements of the package accordingly." So spoke C.L. Dennis, president of the Brotherhood of Railway and Airline Clerks.

Obviously, there is nothing of the suddenly-discovered in what Les Dennis says. Negotiators are *always* aware that the package holds only so much, that each side can afford to give so far and no farther. But it's heartening to see a union chief spell it out that way, in such plain language—to the people who elect him.

T&P protests new Amtrak run

Texas & Pacific is, to put it mildly, irritated with Amtrak—and Missouri Pacific shows signs of not being very happy either, in a controversy over operation of a new Amtrak train between St. Louis and Laredo.

T&P charges that Amtrak statements have been "false and misleading," and that "virtually all comments made by Amtrak on the subject in recent press reports are either inaccurate or completely erroneous."

MoPac gets involved because of a statement allegedly made by Amtrak to the effect that MoPac informed Amtrak only on March 13 (the day the new train was to begin operation) that it would not run the service without a contract. Actually, the operation was to be over T&P, between Texarkana and Fort Worth, and it was T&P which told Amtrak in February that it would not operate without a contract unless Amtrak would go to the ICC, as provided under the National Railway Passenger Service Act. T&P says Amtrak refused to do this, and that only after the dispute had been through two courts did Amtrak decide to take it to the Commission. For the record, MoPac has a contract to operate Amtrak trains over its lines and "at no time has MoPac refused to operate Amtrak trains on its lines." MoPac does not, however, have a contract covering operation of Amtrak trains on the lines of other railroads such as T&P.

The dispute centers on compensation and liability protection for T&P. Negotiations proved fruitless, but T&P did agree to run the train if Amtrak would ask the ICC for an order fixing terms and compensation. Amtrak went to U.S. District Court, which held that MoPac was not required to operate over T&P. But the court tried to settle the matter by ordering T&P to run the train until March 29, to give Amtrak a chance to go to the ICC and provided T&P was reimbursed for actual costs and held harmless from any casualty liability. When Amtrak declined, the court found for MoPac and T&P and dissolved the train-operation order. Still, "in the public interest," T&P continued to run it. Amtrak then went to U.S. Court of Appeals, but a three-judge panel refused to order MoPac and T&P to operate the train. "Then, and only then," says T&P, did Amtrak go to the ICC. All T&P says it wants, "which Amtrak refuses to give, is an agreement under which casualty losses growing out of the operation of Amtrak trains will be paid for by Amtrak. . . .It is only asking that it be made whole by Amtrak for operating Amtrak trains."

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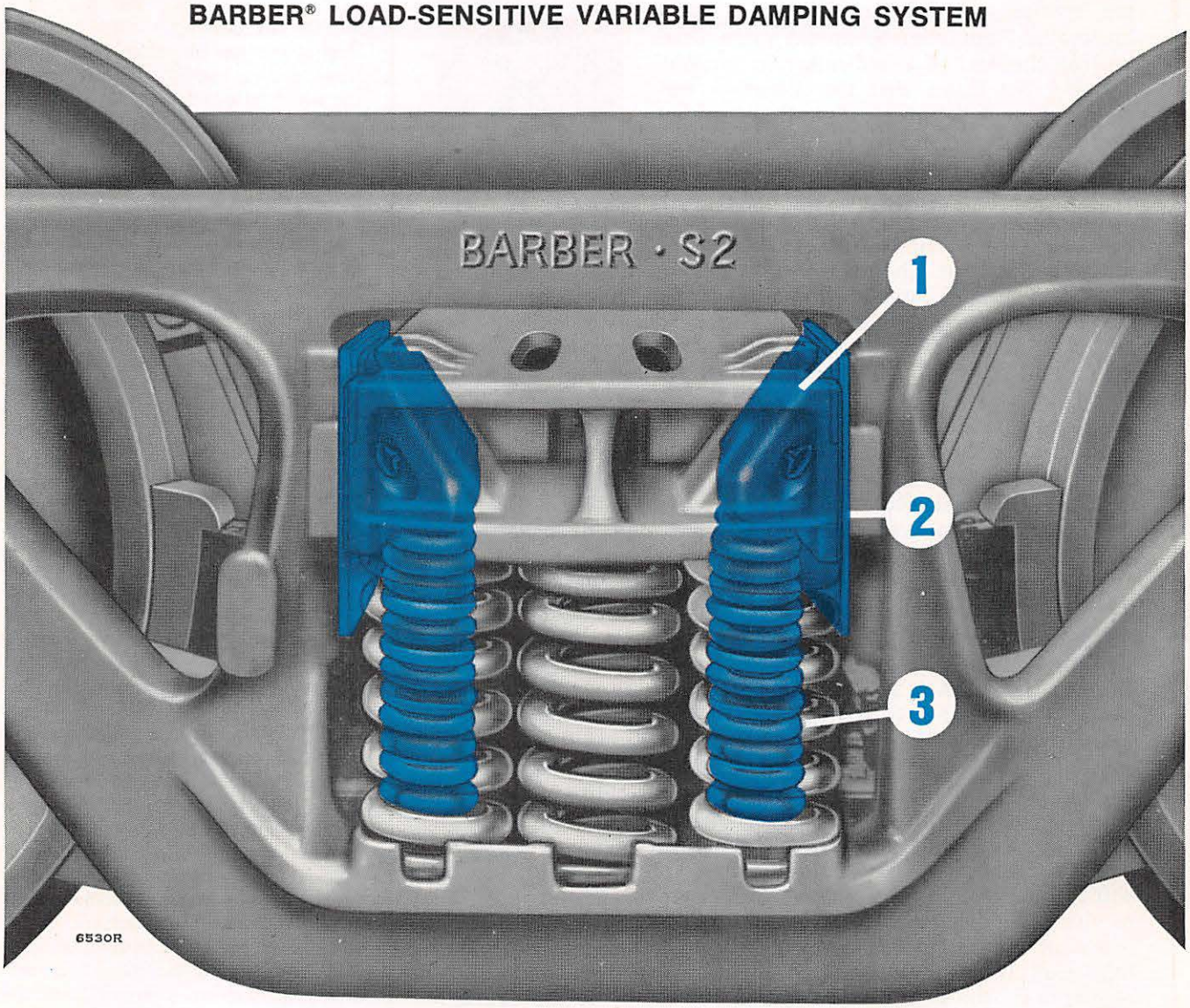

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Watching Washington

R.M.M. McCONNELL

THE NORTHEAST GETS MURKIER

From the start, the idea of a massive Federal bailout for the financially troubled rail systems of the Northeastern United States has been viewed as no more than making the best of a bad siutation. No one debated the claim that the situation was very bad, or that the solution—the Regional Rail Reorganization Act of 1973—might be almost as difficult to implement as it was to bring into law.

But now it appears that even the most extreme pessimism over the chances of the act successfully solving the rail crisis might be justified. The main problem facing the act right now is the problem that largely stimulated legislators to develop the law in the first place: the Penn Central. Keystone of the rail complex in the Northeast, the PC has been on the skids for years; and even though other financially ailing railroads in the Northeast and Midwest stood to benefit from the Congressional rail reorganization effort, it was PC that stood to benefit most.

Unfortunately, while the complex maneuvers needed to turn the act's provisions into reality are being carried out, the Penn Central's financial situation has been deteriorating still more. Deferred maintenance had been stressed, but now President Jervis Langdon was warning that cash is so depleted that "continued payment of payrolls during the weeks ahead is threatened. If payrolls cannot be met, the railroad stops."

What this adds up to is the belief on the part of Penn Central's trustees that the provisions of the Regional Rail Reorganization Act are no longer adequate to the railroad's needs. This belief is so strong that the trustees bluntly told the judge overseeing the road's reorganization that unless Congress amended the act to provide the road's creditors with more money, or the Supreme Court ruled that the United States had to make up the difference between what the act provided in exchange for the PC's assets and what was determined to be equitable, the trustees would move to put the road into an equity receivership. The trustees claim that this would allow the receivers to dispose of the estate's rail assets at a fair price; maintain continued rail service (with government help); and take part in the structuring of a new rail system made up of elements of the Penn Central purchased either by the Consolidated Rail Corporation, or by a railroad/Amtrak combination.

PC: NOT AN ATTRACTIVE SALES ITEM

There are some major problems with all of this. There just isn't much money available to keep the Penn Central moving until a final decision is made on way or ther other. The trustees acknowledge this; the Department of Transportation acknowledges this; and Congress, which labored long and hard to come up with the reorganization act, is not likely to start amending it so quickly. Biggest problem of all, however, is the fact that the Penn Central is not an attractive sale item, for reasons the trustees outlined themselves. What will happen? If the courts rule against the constitutionality of the act itself, or let the PC stay out of the reorganization; and if Congress doesn't provide massive financial aid; and if a viable Northeast rail system is still thought to be essential to the public welfare; it could lead to the thing almost everyone has opposed: nationalization.

Retirement Act set for revision

"Normal" collective bargaining is a tough-enough procedure. But it's a safe bet that rail management and union bargainers have seldom worked harder than they did over the past several months to develop a "new" Railroad Retirement system. Their recommendations, dealing mainly with strengthening the financial position of the system and eliminating inequities from it, went to Congress April 10 with the wholehearted backing of both sides. The carrier/union proposals would involve a number of areas:

—Create, as of next Jan. 1, a unified system made up of the basic social security portion and a basic railroad retirement portion.

—Provide a new benefit formula for the railroad retirement portion, with increased benefits for most career employees retiring over the next several years. Four annual cost-of-living adjustments would be made, beginning in 1977 and 1978. For the social security portion, future increases in Social Security benefits would be applied 100%.

—Phase out dual benefits, though beneficiaries on the rolls now would continue to receive full dual benefits. The financial interchange with Social Security would be revised to relieve the Railroad Retirement system of the cost of these dual benefits during the phase-out.

—Follow up on last year's agreement in which the railroads took over that part of employee contributions to Railroad Retirement over and above the Social Security tax pay-in, so that employees would not be required to make any contributions to the railroad retirement fund in excess of social security tax levels. Also, any changes made in Social Security benefits after the end of this year would be passed along to those eligible for Railroad Retirement benefits.

—Pledge the railroads and unions to either propose or support additional changes in the Railroad Retirement Act which would become effective before Jan. 1, 1978.

—Provide a number of benefit improvements, for example, for employees who retire at age 60 with 30 years' service and for survivors of railroad employees.

With passage of the proposed legislation by Congress, the predicted bankruptcy of the Railroad Retirement Fund will, hopefully, be averted. Both the Railroad Retirement Board and a special Commission on Railroad Retirement have forecast that the fund, now standing at $4.5 billion, would be exhausted early in the 1980s.

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ICG centralizes all its administrative functions

To be perfectly frank about it, railroads have not been among American industry's leaders in creating efficient and economical ways of handling the myriad administrative functions that are an integral, if often little-noticed, part of almost every major business. Geography is partly to blame: By its very nature, a railroad is a spread-out enterprise. History, and traditional railroad organization, are also partly to blame: It's hard to get things coordinated when every department is a kingdom and every division at least a principality.

Over the past few years, however, most major roads have zeroed in on these administrative areas as ones which offer distinct possibilities for (1) helping management to do a better job, and (2) helping management to do that better job at lower cost. Case in point: Illinois Central Gulf, which started getting things organized about five years ago (on pre-merger Illinois Central) and which now believes that "no other railroad offers such a wide range of services through a centralized concept such as our corporate services department represents."

● **"Misfits."** ICG readily admits that in the beginning, the department—first called management services—was a "loosely-knot group of 'misfits,' responsibilities and services that seemed to fit properly nowhere else on the corporate organization chart."

That has changed. Corporate services now has post-merger systemwide responsibilities. It has become a tightly-knit little group. Evolutionary restructuring has been completed, with the appointment earlier this year of three directors to head the department's major sections—Allen Carpenter, records and printing services; Toni Foster, office services; and Fred Sickman, non-revenue motor vehicle section. They report to Administrator-Corporate Services R.T. Jenkins; he reports to Henry F. Davenport, vice president-executive department.

What are corporate-services people doing? Centralizing and streamlining operations. Saving money. It is likely, says Rosamond Jenkins, "that every ICG employee is affected daily by the performance of this department. Our actions have an impact on employees in areas involving their physical health and comfort, as well as in areas which influence their ability to perform their duties accurately and promptly." That may be a bit of an overstatement—but still, there is no doubt that corporate-services' actions are being felt throughout ICG, on- and off-line.

Consider, for example, non-revenue motor vehicle management—which covers everything from company automobiles to 17-ton rerailing units. Fred Sickman is working with something like 1,500 vehicles, owned and leased, representing an investment of well over $5 million. New inventory and computerized costing systems have been developed. In a number of areas, ICG has been able to standardize specs on motor vehicles, and this lowers costs. At the same time, the road has been able to improve the economics on acquisition of specialized vehicles.

ICG CORPORATE-SERVICES TEAM in confidence: Left to right, Fred Sickman, director, non-revenue motor vehicle fleet; R.T. Jenkins, administrator, corporate services; Toni Foster, director, office services; and Allen Carpenter, director, records and printing services.

● **Thinking small and saving.** On the automobile front, ICG is starting a four-year program in 1974 to phase-out bigger cars and phase-in compacts. Total savings over the four years: An estimated $1.9 million plus.

Or, consider another problem area that every railroad has to contend with: Storage of records. For ICG, the problem took on added dimensions with the decision to move from the ancient headquarters buildings at 12th Street in Chicago to brand-new quarters at Two Illinois Center. But, a three-year program in space-economy has cut record-storage requirements sharply. Late last year, ICG could add up "a total saving of high-rental space of 42,504 square feet. After deducting expense of lower rentals for records retained outside the general offices, net savings will amount to $182,000 annually at present rental rates." Even that, Jenkins says, "is not good enough. We must do much better and we will."

Then, there is the matter of printing costs, no small matter when you look at the print requirements of a major railroad. Currently, ICG's reproduction and printing section does about half of all general forms used on the railroad, plus a long list of other items such as posters, brochures, manuals, newsletters. With costs on outside printing going up and with lead-time stretching out, Jenkins says it is quite possible that ICG may be doing even more work inhouse in the future, perhaps with acquisition of additional equipment and/or using the repro and printing facilities for more hours out of each 24.

A couple of other aspects of paperwork have also been made very much a part of corporate-services' thing—mail handling and work-processing.

It is a familiar sight around most railroad general offices—the mail cart being trundled along hallways, up and down in elevators, in and out of offices. The move to Two Illinois Center, however, gave ICG a chance to do something different in a lot of areas, and mail-handling was one. ICG's choice was to install a mail conveyor system to serve the railroad's 10 floors in the building, with individuals in the various departments of the railroad handling the mail on and off.

On the word-processing side, ICG has centralized transcription services in a headquarters correspondence center; plans are to introduce work-processing services in other general-office areas beginning this year, and then to see what can be done to improve word-processing operations in the field.

How have corporate-services' people and programs been received? In most cases, reaction has been good. Jenkins points out that the department can function best by finding out what other departments' problems are and then trying to figure how corporate-services can help, and proposals for change can naturally be expected to run into some resistance. But corporate-services' goal is to sell ideas and concepts through being able to prove benefits from proposed new systems—to the point where a turndown would be an illogical response.

Other benefits from the over-all corporate-services approach? For one, with a measure of centralization, it is often possible to achieve standardization of equipment and to justify acquisition of better equipment. For another, it is possible to train people better for specific corporate-services jobs—as opposed to having these tasks parceled out among departments and handled almost as odd-jobs by any number of individuals.

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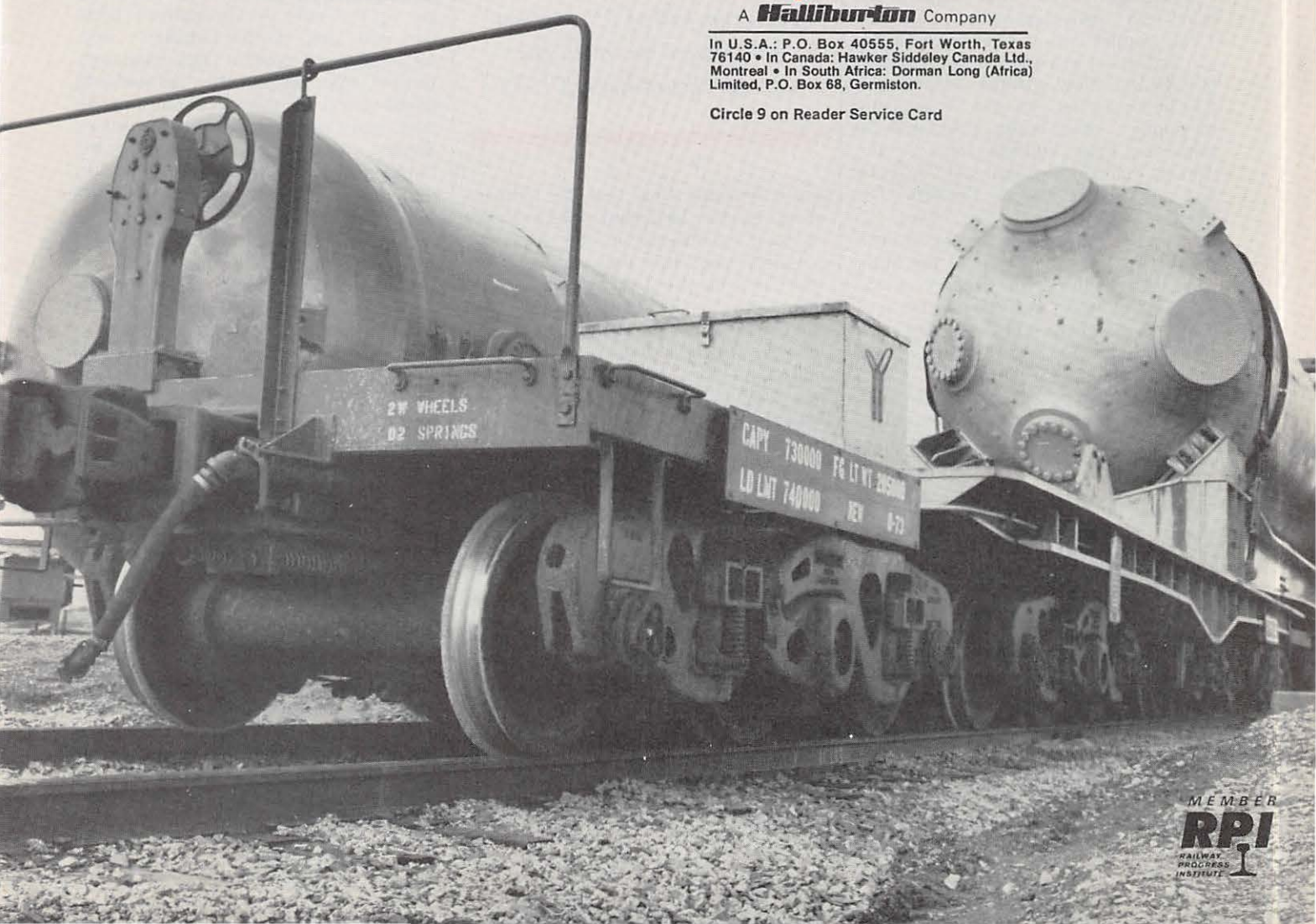

MEMBER RPI RAILWAY PROGRESS INSTITUTE

BN steps up its car orders as traffic booms

Burlington Northern is making equipment commitments at a faster rate than was originally expected—and the odds are that BN will be most thankful that it's in a position to make those stepped-up commitments.

Originally, BN planners had been working on a major freight-car acquisition program for 1975. Now, with market conditions being what they are—on BN itself and in the carbuilding industry—BN has pulled about 3,000 cars from the '75 program and already placed its orders. The cost: $61 million.

Two main factors led to BN's decision. As Norman M. Lorentzsen, Transportation Division president, puts it, "This move to speed the expansion of our car fleet was prompted by the fact that traffic over our railroad continues to exceed the record level of last year." Secondly, he points out, "The manufacturing capacity of freight carbuilders is booked solid through 1974 and into the first quarter of 1975. . . .Our $61-million advance order will assure that our new cars will begin flowing to us in the fourth quarter of 1974 and continue through 1975. Without this advance order, most of the cars would not have been delivered until sometime in 1976."

Predictably, BN's new orders are heavy on open-top equipment, with 1,750 hopper cars and gondolas on the list. But, there will also be 500 box cars, 500 Center Flow covered hopper cars, 200 bulkhead flat cars and 25 tank cars on builders' order books, along with 50 cabooses. Four builders share in the orders, Pullman-Standard, ACF, Thrall Car and Pacific Car & Foundry. Deliveries will start with 500 70-ton XL box cars from ACF in the fourth quarter of this year. Most of the other cars are scheduled for delivery in the first half of 1975, with the exception of 750 100-ton open-top triple hopper cars from P-S, set for fourth-quarter 1975 delivery.

What comes next? Later this year, Norm Lorentzsen says, "we expect to re-examine our requirements and place the remainder of our 1975 equipment orders."

(BN is not the only road looking far ahead on car programs. Among the others: Norfolk & Western will begin building 2,000 hopper cars at Roanoke, Va., company shops for delivery starting in December and continuing through summer of 1976; NW is also going outside for 400 other cars for early-1975 delivery. Southern Pacific has budgeted $25 million for rebuild of 3,500 cars this year. And Soo Line, with its 1974-75 program already set, is working on orders totaling $13 million for locomotives and cars for 1976 delivery.)

● **Boom mirrors boom.** BN's Lorentzsen chose an appropriate audience for his news break on the car orders—the Minneapolis-St. Paul Traffic and Transportation Club. And he related BN's action to the bigger picture:

"The boom in business among car manufacturers mirrors precisely the boom in rail freight traffic that has been taking place throughout our industry for more than two years. It has brought us back-to-back traffic records in 1972 and 1973 and it looks as if we could have another new record in 1974. . . .One point should be kept in mind: There is nothing startling about the current railroad boom. It was charted and predicted by our industry several years back, although it was postponed by the 1969-70 recession. And, we see continued steady growth ahead. The question remains: Can the railroad industry accelerate its capital-improvement programs and gear up for the new traffic records ahead?"

Lorentzsen recalled that over the years 1970-73 the industry fell about $8 billion short of its own estimates as to what should have been spent. Even so, he pointed out, "add in another figure and it becomes clear that the railroads of this country have given solid evidence of their confidence in the American economy and their own future. They spent or committed themselves to capital improvements costing more than three times the industry's after-tax net income, which added up to only $1.6 billion for the period 1970-73." That has done a couple of things to the books: "The industry's long-term debt today stands at $10.9 billion, an all-time high, and its outstanding equipment obligations are $2 billion more than they were 10 years ago."

Faster growth of BN car fleet is prompted by traffic that exceeds record level of 1973.

And now? "Now, we face a period in American business history in which the competition for capital is expected to intensify to a degree undreamed-of as recently as a year ago, according to a report from the Girard Bank. They believe that in the next 10 years American corporations will need something like $2 trillion in new capital—that's 't' for trillion. This means that a lot of corporate weak sisters with poor performance records are going to find themselves shut out in the competition for capital."

● **Legislation vital.** With rate-of-return that hasn't been as high as 4% since 1955, railroads are not exactly among the strongest entries in the competition for capital: "We have to do better than that—because our competition in the money markets is from industries that earn a return of 10% to 12% annually. And that is why two bills pending in the Congress are so essential to the future of this country's railroads."

Lorentzsen found much to praise in both the DOT Transportation Improvement Act and Rep. Brock Adams' Surface Transportation Act: "The railroads believe both bills contain some excellent provisions and we understandably are very encouraged to hear that it's likely that the two proposals will be melded into a single compromise bill that would be acceptable to other carriers as well as the railroads."

A major feature of both proposals involves loan guarantees for capital improvements—$2 billion in the DOT plan and $5 billion for surface carriers, with $3 billion earmarked for railroad rolling stock, in the Adams plan. But, Lorentzsen pointed out, "government-backed loans for new equipment, while they would provide a massive shot-in-the-arm to an industry that has been just scraping by for decades, would not get at the core of the railroad problem—and that is the industry's woefully-depressed profits. Only regulatory reform that allows the railroads to adjust prices to meet economic conditions and fully reflect our true costs of doing business can clear the way for the industry's return to economic health. The fact that a cash transfusion of $2 billion or $5 billion as proposed in pending legislation would be in the best interests of the public and the railroads should not be allowed to obscure the fact that the American railroads need to invest approximately $28 billion in plant and rolling stock in the next seven years. That money—if it is to come—can only come from substantially increased earnings and private investment attracted by those earnings."

Can the industry make it? Lorentzsen sees good news: "Our industry is in a turnaround situation. As Federal Railroad Administrator John Ingram points out—he's in an excellent position to judge—we are seeing sharply increased interest in Congress in the viability of our industry. The improved climate in Washington has helped to produce legislation that created Amtrak and passed the Northeast Rail Reorganization Act. And now we have not one but several bills pending in Congress that could correct many regulatory inequities and give the railroads a chance to continually modernize their services to the public." ■

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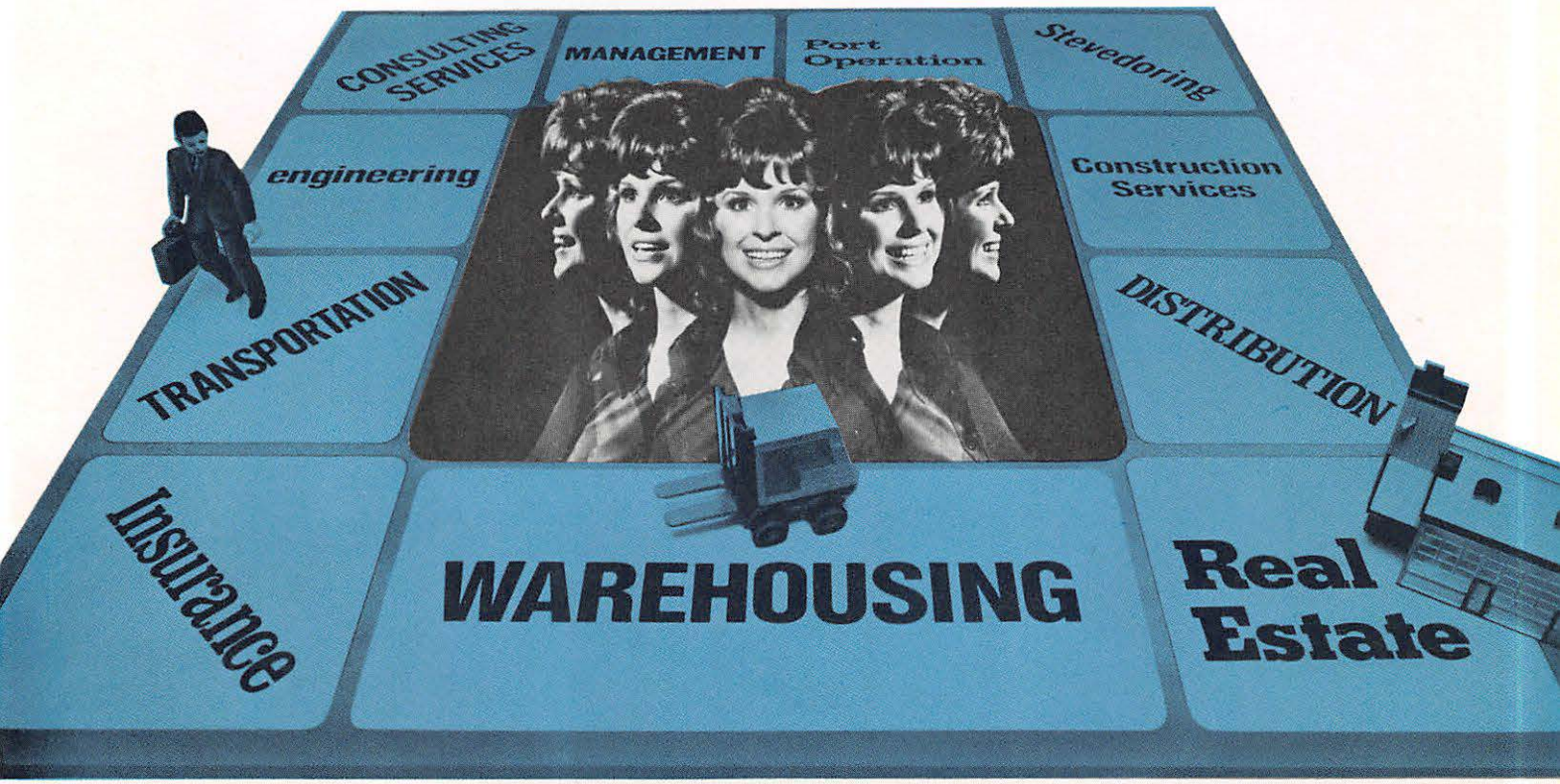

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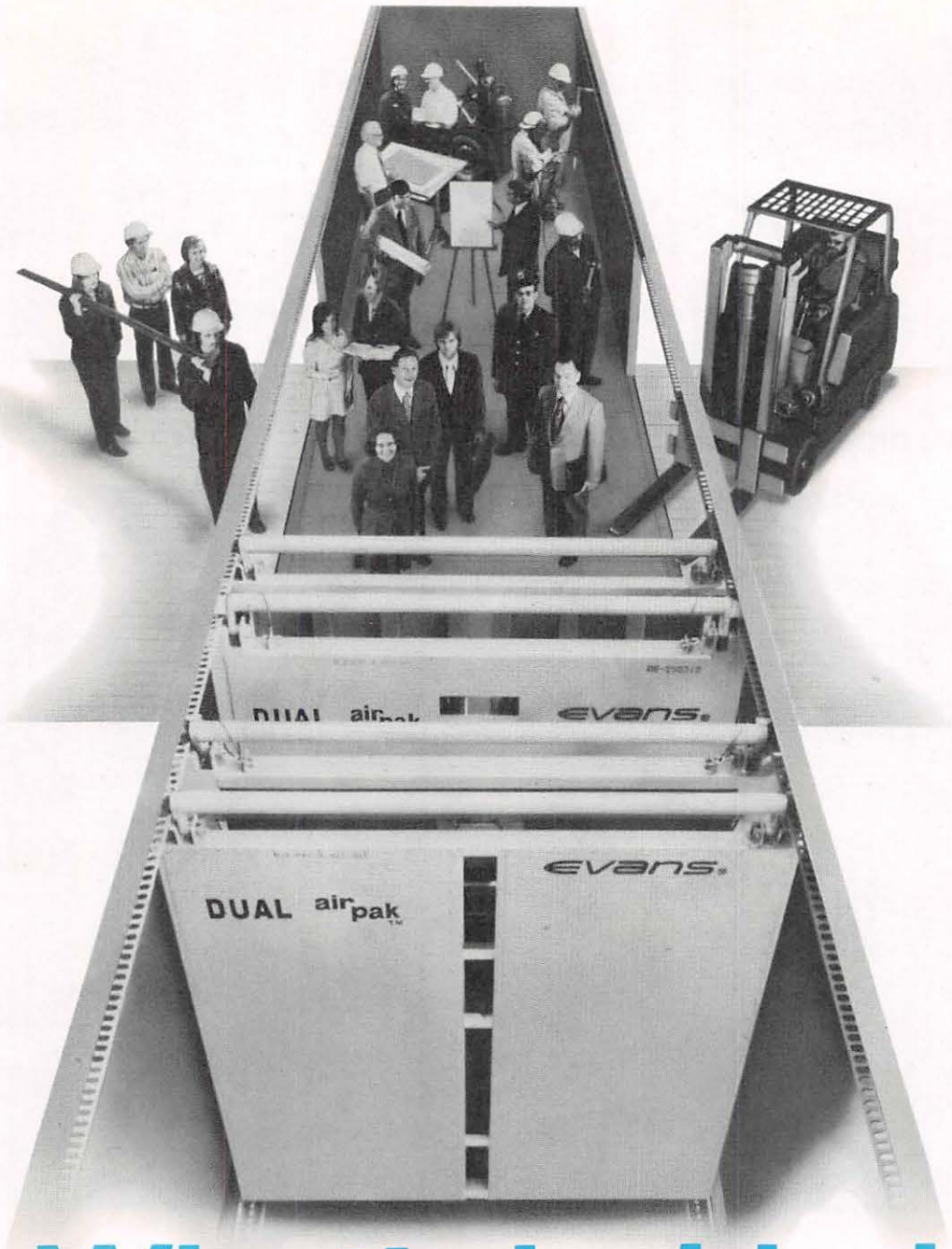

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AVERAGE DAILY FREIGHT CAR SHORTAGES

U.S. Class I Railroads

Period*	Plain Box Cars	Equipped Box Cars	Covered Hoppers	Refg.	Gondolas	Hoppers	Flat	TOTAL**
Jan. 1964	1,298	20	54	0	57	48	3	1,480
Jan. 1965	336	26	19	4	318	41	110	910
Jan. 1966	3,758	61	208	20	170	71	35	4,556
Jan. 1967	1,077	100	146	36	364	34	81	1,860
Jan. 1968	679	54	339	7	357	62	60	1,564
Jan. 1969	1,900	217	596	81	194	11	99	3,110
Jan. 1970	2,959	182	3,206	98	1,028	305	152	7,966
Jan. 1971	205	34	1,499	24	166	286	8	2,292
Jan. 1972	217	46	48	61	6	21	29	430
Jan. 1973	8,543	596	10,122	28	758	63	116	20,276
Feb. 1973	15,751	1,096	14,886	175	1,509	993	339	34,855
Mar. 1973	18,327	1,556	16,249	354	2,682	2,189	1,029	42,534
Apr. 1973	15,422	1,437	14,308	159	2,798	2,363	880	37,543
May 1973	13,271	1,100	12,229	71	2,690	2,874	917	33,280
June 1973	12,432	1,013	9,562	28	3,213	2,991	771	30,188
July 1973	12,986	850	10,306	242	2,860	1,588	907	29,825
Aug. 1973	13,354	1,122	11,904	31	2,464	2,415	735	32,096
Sept. 1973	15,130	1,431	12,381	132	2,404	2,577	1,025	35,232
Oct. 1973	13,710	1,739	10,326	657	3,891	2,366	1,120	33,930
Nov. 1973	14,115	1,703	14,031	266	4,523	2,672	1,324	38,883
Dec. 1973	12,484	1,489	11,718	190	4,350	1,466	1,599	33,401
Jan. 1974	10,499	1,262	10,300	199	4,414	1,376	807	28,994
Feb. 1974	14,359	1,716	13,493	687	6,295	2,096	2,874	41,616
Mar. 1974	15,192	1,783	11,941	478	7,104	3,252	2,269	42,251

*First complete week of each reporting period
**Includes also other types of cars
Source: ICC, AAR

CAR SUPPLY

Why shortages persist despite soaring orders

By FRED HOUSER
Mechanical Editor

"The nation is now in the midst of a severe car shortage," says George M. Stafford, chairman of ICC. "The situation is the tightest it has been in all railroad history," says L. Stanley Crane, executive vice president-operations of the Southern.

How can this be after railroads and private operators ordered 105,765 new cars during 1973 and an additional 17,977 in the first two months of 1974?

There are three primary reasons:

—Railroad traffic is at record levels.

—Car orders do not mean car deliveries.

—Car retirements have outstripped installations, although the capacities of individual cars are rising.

Through the first 13 weeks of 1974, carloadings were running 1.6% ahead of the record level of 1973. Ton miles were up fully 3.8%. Concern about an energy-induced recession seems to be receding. Actually, the difficulty in supplying liquid fuels to transportation and electric utilities has been marked by increases in piggyback traffic and the resumption of coal hauling to generating stations that had switched to oil years ago. The steel industry is operating at record levels; agriculture is being called upon to produce as it never did before, and manufacturing is showing little evidence of any turndown in production. The average daily car shortages indicate that railroads are in no oversupply situation with any of the common types of freight cars. In fact, exactly the opposite is the case.

● **More cars from where?** So where could more cars come from? New cars require a lead time such as railroads have not known for many years. In one sense, the current car acquisition boom is unique in that the railroads' own shops are such a minor factor in new car production. There is a great disparity between the backlogs of new freight cars in commercial shops and in railroad shops. On March 1, 1974, for instance, the backlog in the railroads' own facilities was 4,306 and in carbuilders' shops it was 70,922. On June 1, 1966, peak of the buying boom that year, railroad backlog was 13,103 and carbuilders' was 47,126. On Jan. 1, 1956 (in the wake of 1955's flood of orders), company shops were scheduled to build 78,057 cars and carbuilders 69,263.

Problems of contracting out work after they have done in-house carbuilding have made some railroads reluctant to throw their carbuilding capacity into the current car acquisition boom. In addition, many railroad shops have been striving to reduce the bad-order situation which is the quickest way to increase the availability of freight cars.

Although car buying has now been strong for over a year, carbuilders have been slow to expand capacity. There have been no new entrants in the field. Shortages of specialized car components and of forgings, castings, plate and steel sections have slowed the pick-up in

production. Carbuilders are booked solid for all of 1974 and many through much of 1975. As recently as 1966, a total of 90,104 new cars were produced. It is unlikely, however, that production can top 70,000 in 1974.

● **Retirements outstrip installations.** Then there is the problem of retirements outstripping installations. So far in the Seventies, Class I railroads have retired 55,000 more cars than they have installed. Average capacity of the new cars has been substantially higher than that of cars retired so fleet capacity is at an all-time high of 120.4 million tons. Average capacity of the 59,388 cars installed in 1973 was 73.85 tons, raising the figure in the entire fleet from an average of 70.8 tons in 1972 to 71.5 tons in 1973.

U.S. Freight Car Fleet

Jan. 1, 1974

	Railroad Owned	Privately Owned	Total
Plain Box	332,775	832	333,607
Equipped Box	177,423	906	178,329
Covered Hopper	151,155	53,771	204,926
Open Hopper	360,520	4,813	365,333
Gondola	183,805	3,542	187,347
Refrigerator	73,023	31,698	104,721
Flat	99,567	32,655	132,222
Stock	5,215	92	5,307
Tank	3,354	161,955	165,309
Other	31,301	2,257	33,558
TOTAL	**1,418,138**	**292,521**	**1,710,659**

Indices of freight car usage indicate that railroads are doing a better job. Average ton miles per carload were up 4.8% from 1972 to 31,170 in 1973. The net ton miles per serviceable car day increased 9.0% to 1,616; car miles per serviceable car day went up 8.6% to 60.9; and the ratio of loaded car miles to total car miles rose from 56.5% in 1972 to 57.7% in 1973.

"The record freight traffic experienced by railroads during 1973—although naturally a welcome circumstance—placed heavy pressure on the freight car fleet and upon those charged with insuring an equitable distribution of available cars," notes AAR's annual report for 1973. "The usual periods of decreased demand did not occur, with the result that there was a constant requirement for most types of cars."

Grain exports found 15,000 open-top hoppers augmenting the box cars and covered hoppers normally used in this type of service. "These cars were later returned to coal and ore service," said the AAR. "Coal loadings began to pick up in the late weeks of 1973 and by the beginning of the new year were averaging 90,000 carloads a week."

● **Capacity for coal.** The AAR notes that there was still extra coal-carrying capacity in cars idled by the decline in coal traffic that started in 1970, in bad-order cars that could quickly be returned to service, by retaining in service hoppers scheduled for retirement, and from the new cars on order (over 12,500 open-top hoppers were on order on March 1, 1974).

"The demand for gondola cars was strong throughout the year with loadings of steel products, scrap metal and aggregates continuing in volume," says AAR.

Until recently, all the emphasis in car supply, as it involved agriculture, was transportation of harvested products. Recently the ICC has acted to increase the supply of covered hopper cars to Seaboard Coast Line for movement of phosphate fertilizer from central Florida to farmers who grow feed grains and similar crops. Potash fertilizer is also in short supply; much of that comes from Canada where Canadian National and Canadian Pacific have been pressed on covered hopper supply. Those roads report that once such cars move into the U.S. they are put in grain service rather than being returned to Canada for more potash.

● **Cars for fertilizer.** The ICC action, Service Order 1178, ordered Burlington Northern, Chessie, Milwaukee, Chicago & North Western, Rock Island, Illinois Central Gulf, Louisville & Nashville, Missouri Pacific, Norfolk & Western, Penn Central and Frisco to each provide 100 70-ton covered hoppers to SCL for at least two months because "an acute shortage of cars currently exists and entire areas of the country are unable to receive adequate supplies of fertilizer."

Looking to the upcoming grain harvest there are various opinions on car supply. Railroads right now are being called upon to move volumes of wheat, corn, and sorghum like they never did before. The problem will be to get the 1973 crop out of storage before the new wheat begins to come in. Some railroads have been at least cautiously optimistic.

Export sales are easy to make in the face of a worldwide food crisis but the U.S. Agriculture Department is trying to delay shipments until it can judge the spring wheat crop. Drought in the Texas panhandle has cut prospects substantially in some places. Apparently, it is this spring wheat from Texas and Oklahoma that must be relied on to tide over the nation's shrinking stockpile until grain from the North Plains states starts being harvested in July.

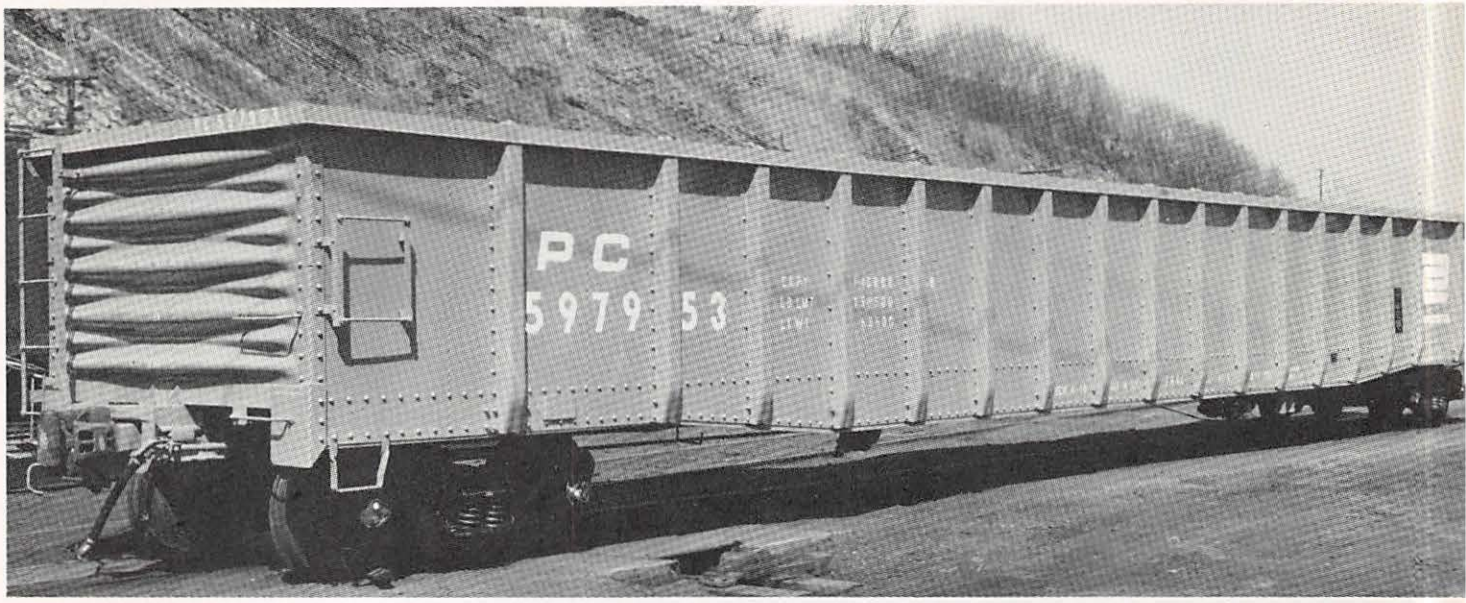
● **Supplementing box cars.** Recently the ICC acted to allow ice refrigerator cars to be substituted for box cars even though their low capacity did not fit them for certain tariff provisions. Railroads stopped all icing service late last summer and since then many of the cars have been idle. Said the Commission: "An acute shortage of box cars for transporting shipments of lumber and related products exists in certain sections of the country and some carriers have adequate supplies of certain types of refrigerator cars."

Canada has many of the same car problems as the U.S. Recently a spokesman for grain growers surprisingly attacked the "inflexible, bureaucratic attitude" of the Canadian Wheat Board and the unusually severe winter as the real culprits of a grain-car squeeze in western Canada, not CN and CP. The Wheat Board has ordered trains into impassable snowed-in branch lines.

● **Canada's car supply.** The Canadian Government has been buying covered hoppers for wheat service because it imposes non-compensatory rates for grain moved by rail and both big railroads have refused to invest in additional cars. The 2,000 cars acquired in 1972 are being leased to CN and CP and government funds are to be used to repair 2,400 bad-order box cars for grain traffic. Justice Minister Otto Lang, responsible for the Canadian Wheat Board, has announced that the government will order 4,000 more covered hoppers costing up to $125 million.

Despite the grain snarl, Canadian railroads have been investing heavily in freight cars and locomotives. CP has ordered equipment worth more than $215 million since 1970. CN's acquisitions are valued at $225 million. Both have substantial backlogs with carbuilders right now.

Railroads are increasingly moving into lease financing to supplement their car fleets. Private car operators are also making direct leases to shippers, although this is often complicated because the shipper must determine that the originating carrier cannot supply comparable equipment, or is willing to make compensatory rate adjustments.



GONDOLAS, including this 65½-foot model, were acquired in large numbers by PC after the merger. Since bankruptcy, condition of the fleet has deteriorated so that major shippers are now concerned about adequate supply of gondolas.

Bankrupts are crucial in car supply

With carbuilders booked up for as long as two years from now, this is not a time when railroads could order their way out of chaos—and car supply might soon be verging on just that. For "chaos," read "Penn Central" and all that it implies. PC is so crucial in car supply and car utilization that collapse of this tottering giant could undo much of the effort of all other car owners—bankrupt and solvent, railroad and private car lines.

Even an uncollapsed (or collapsing?) PC is already a major concern of shippers and railroads as they look at what is an increasingly serious car deficit situation. In just a decade the car ownership of PC's two predecessors (230,541 in 1964) dropped by over 48,000 to the 181,575 owned or leased by the big bankrupt at the end of 1973. This still represents over 10% of *all* U.S. freight cars. While this fleet was dropping by 21%, PC's ton-mile generation was rising 29%. Bigger cars had a role in making this possible. Using cars of other owners was another factor.

What was not a factor in the line's increased production of transportation was the deteriorating condition of the shrinking number of cars it does own and the decline in the condition of the track over which they operate. Said one major shipper,: "PC can't move the cars they do have and they just don't have enough of them."

● **Immediate need.** Early this month Penn Central's trustees announced they were seeking $40 million in grants under the Regional Rail Reorganization Act of 1973 which authorized $85 million for immediate aid to troubled lines. PC needed $18 million by the end of April, a request that was greeted with hostility by John W. Barnum, under-secretary of transportation.

Federal Railroad Administrator John W. Ingram did respond by having his agency assume an additional $5.9 million in PC equipment obligation payments, as it had done with $10.8 million of similar obligations in the previous 45 days.

To the minds of many shippers, preservation of PC's equipment leases is going to fall far short of the job that will have to be done to enhance PC's car supply.

What will be necessary, many of them claim, is a massive expansion of the repair program which recently started at Hollidaysburg, Pa., and ten other points on the system. Hopper cars are now being turned out at the rate of ten per day and other types of PC cars are also being overhauled at an expedited rate.

"We anticipate gaining 2,400 additional repaired hopper cars during 1974 in this expansion of our repair programs at Samuel Rea shop," reports J.M. McGuigan, chief mechanical officer. "We are moving swiftly to increase our car supply to meet the shipping needs of the energy crisis, within the limits of our financial situation. The only restricting factor we see now to achieving our planned program is supply of material and parts, and we are taking every precaution to try to keep them coming to us on time."

● **Cripple ConRail?** PC's trustees have recently warned their reorganization court about the spreading deterioration of tracks and rolling stock, noting the heavy financial requirements necessary for overcoming deferred maintenance and for producing satisfactory service. They reiterated that the $85 million in emergency assistance under RRRA's Section 213, available to all railroads in reorganization, "appears to be wholly inadequate," noting also that delay in this Federal assistance for upgrading Penn Central's rail system "will cripple Consolidated Rail Corp. from the start."

Why the widespread concern about PC's situation? Take the case of the gondola car. PC owns about 40% of all such cars in the U.S., and upwards of 60% of all the 65-foot gondolas. Gondolas are the bread-and-butter cars of the steel industry, despite all the effort expended at producing more exotic equipment for the transportation of specialized products such as coiled steel. The prosaic gondola is the car that the steel industry looks to for transportation of inbound scrap and for the delivery of much of the semifinished and finished steel. Back in 1964, the New York Central and the Pennsylvania owned some 55,520 gondolas. In ten years this fleet has dropped to 40,010, of which fully 20% are bad order. The ripple effect of this extends right on out to Chessie, Norfolk & Western, and other roads. It extends out to the loading docks of steel mills across the nation, and to the plants of steel fabricators and other industries.

Look at the fleet of open-top hoppers. PC's predecessors owned 73,896 of these cars ten years ago and this has dropped to about 53,000 currently. One observer recently called attention to

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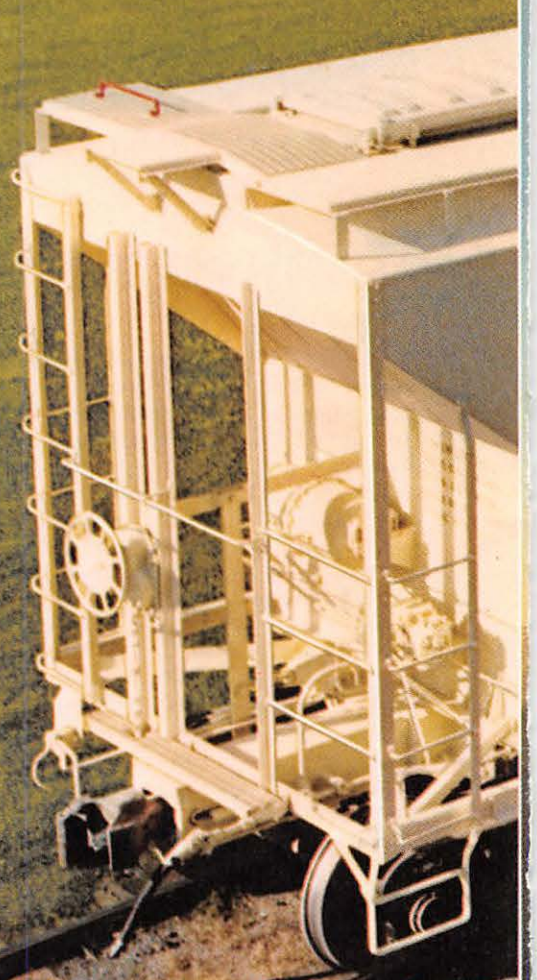

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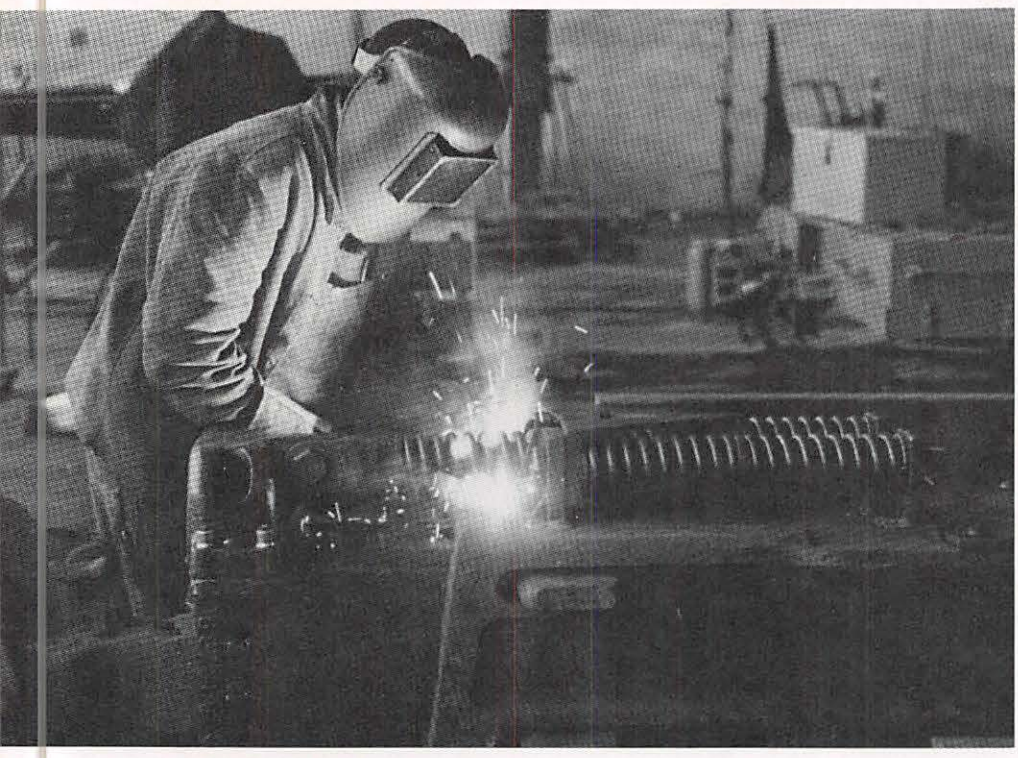


RAILROAD SHOPS have so far, been a minor factor in current building boom with some exceptions. Most such facilities are going all out in repairing cars. Union Pacific shopman is installing cushioning unit in center still as part of assembly program.

6,000 hopper cars that are stored bad order on PC and added that over 11,000 such cars are due for repair on all the Eastern railroads. Even Norfolk & Western has cut its hopper car fleet by 10,000 units to the current ownership of about 55,000 in the past few years. "But you can't fault NW," says the observer, "they have done a pretty good job."

● **Car safety or car shortage?** Then there was the mandatory retirement of overage cars and those with overage components which was part of the new Railroad Freight Car Safety Standards of the Federal Railroad Administration. Had the initial deadline of April 30 not been extended to Dec. 31, 1974, an additional 10,000 Penn Central hopper cars and 6,000 gondolas would be going out of service right now. PC trustees are also considering "some form of relief" from FRA's order to restore substandard track at a cost of approximately $24 million.

What can car shortages mean to a bankrupt railroad? In projecting a reorganization on a profit basis by 1981, Erie Lackawanna trustees recently explained to their court that this is on the premise that the road will be able to finance a large number of new freight cars and piggyback trailers in order to make needed replacements and handle a moderate increase in volume, estimated at 2.3% annually.

"It is clear that Erie Lackawanna could substantially improve its gross revenues if there was adequate rolling stock to handle the business offered to it," explained the trustees. "For example, the testimony shows that in 1973 EL had to turn away business that would have produced $17 million in revenues because of lack of freight cars." Due in part to a continuing deficit in its freight car ownership, Erie has actually forecast some decline in traffic to be handled this year. Government assistance could aid in solving the problem of Erie's freight car shortage, the trustees concluded.

● **Bankrupts do buy.** Certainly the bankrupts have been trying. The expansion of Boston & Maine's car fleet by over 20% has just about been completed (see page 27). PC is projecting 600,000 piggyback revenue loads this year, up from 1973's 525,000 loads. A. Buford Smith, PC's director of intermodal marketing and pricing, points to PC's acquisition of 575 new all-purpose (trailer/container) Trailer Train cars and 1,500 new trailers in 1974. PC's drive for greater (and more profitable) piggyback volume spurred it to prod Trailer Train to increase the national piggyback car pool by 30% in 1973 and 1974. More than $200 million is being expended by TTX for the 4,000 cars it added last year, and for the 5,000 scheduled to go in service in 1974, to bring the piggyback fleet to over 40,000 cars by year end.

By year end, also, U.S. railroading is to have its first box car pool, the TTX-operated American Railroad Boxcar Corp. Delivery of the first of the initial 10,000 RBOX 50-footers is expected before the end of 1974. Funds for this program will be secured through loan guarantees by a number of the nation's financially strong railroads. The cars, however, will be available for use by any line with rental set to cover costs of ownership and maintenance, while also generating funds for expanding the box car pool. TTX will utilize the same management techniques used with its 70,000 flat cars, directing RBOX equipment to points where there are loads rather than having to send them to home lines as is the case with railroad-owned cars.

With the gondola situation complicated by Penn Central's heavy involvement, one observer recently observed that a gondola pool, probably like TTX or RBOX, is almost inevitable.

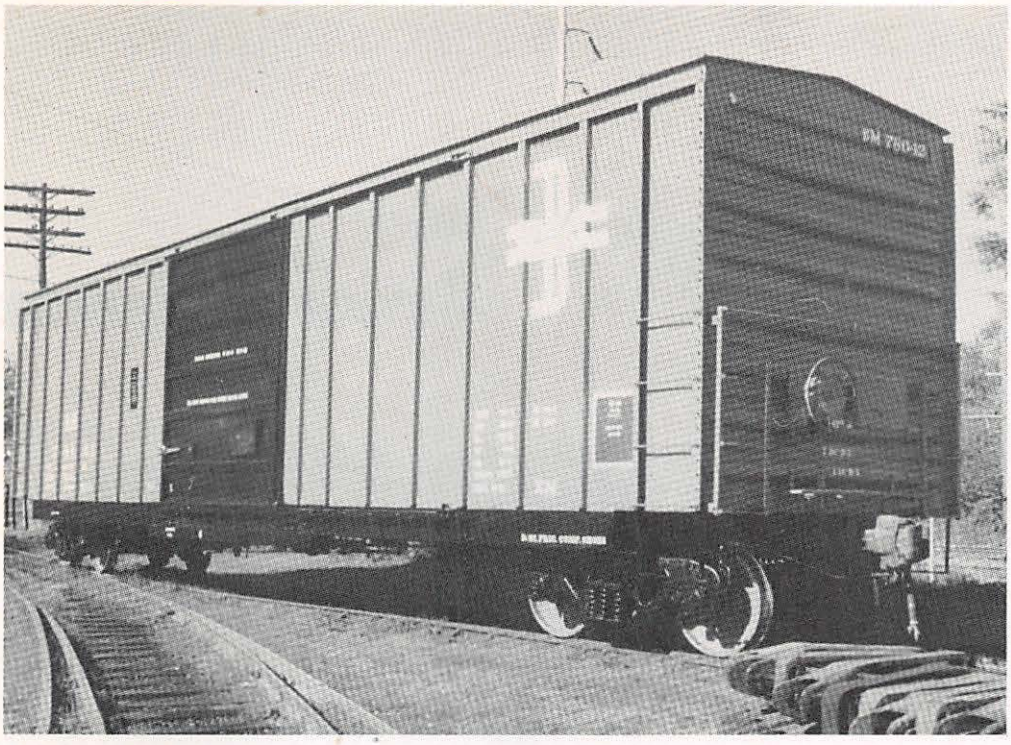
● **Privately owned cars.** Shippers have also taken steps to protect themselves on car supply. "We can be thankful for the 900 cars we lease for unit-train service," observes Jack E. Henderson, vice president-transportation, Consolidation Coal Co. "They have displaced many railroad-owned cars." He does note Consol's heavy dependence on Penn Central and says that track conditions result in slowed turnaround of the unit trains and derailments damage some of the cars, taking them out of service.

Consol, producer of upwards of 60 million tons of coal per year, is looking to an increase of 10% in production in the wake of the energy crisis, and simultaneously, a real hopper-car crunch. "Cars have been tight for us for a year," says Henderson, "and the bankrupt railroads are a problem especially. You have to look at the entire fleet and when you do, the Penn Central looms so large. You can't talk new cars."

According to Henderson, the only solution will have to be to come up with some way to repair the bad order cars which are sitting around, surmounting the problems of money, critical components and steel. He agrees with PC's trustees that the $85 million of RRRA's Section 213 should be put to work as soon as possible. Only with a bolstered coal car fleet will Consolidation Coal be able to meet the increased demand from East Coast utilities for coal to take the place of expensive, or unavailable, fuel oil.

At a recent seminar of the Railway Systems and Management Association, the acquisition of specialized cars for handling construction aggregates was suggested as a more economical practice than buying 100-ton coal hoppers and then using them to carry sand and gravel. Robert H. Leilich, consultant for Peat, Marwick, Mitchell & Co., said that special aggregate cars would be the "least expensive way for railroads to increase their open-top car capacity." Other open tops would be released for coal service.

(Continued on page 56)



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New York Air Brake
Scullin Steel
Sloan Valve
Standard Car Truck
Standard Railway Equipment
A. Stucki
Superior Hand Brake
Timken
Western Railway Devices
Youngstown Steel Door

Leasing gives B&M 700 more cars

As the rain that falls on the just and the unjust, car shortages are a fact of life for the bankrupt as well as the solvent. Maybe more so. And to hear many observers, bankrupts are just about incapable of protecting themselves against any but the lightest sprinkling of car shortages.

Boston & Maine has, in effect, been raising a substantial umbrella against the deluge. It has just been putting in service 700 brand new 50-foot box cars and concedes that it needs at least 500 more. The road's management may take steps to get them after its reorganization court rules in May whether B&M is consigned to ConRail or will, as its trustees have recommended, go it alone down the road to reorganization.

Because B&M terminates about three loads for every one it originates and about half of all its traffic (352,600 carloads in 1973) moves in box cars, it may sound surprising that the road would find it difficult to come up with sufficient equipment for its customers.

● **Box-car problems.** Alan G. Dustin, executive vice president and chief operating officer, ticks off some of the problems that confront B&M on box car supply:

—Inbound loads involve a high proportion of Western and Canadian cars which cannot be utilized under car service rules for much of B&M outbound traffic that moves to the Middle Atlantic and Southern states;

—B&M has little protection under AAR car service regulations for its own equipment because of the high proportion of its terminations;

—Many of the free-running inbound box cars are not suitable for the high-grade outbound loads which B&M tends to originate;

—Many of the inbound Class A cars are in assigned service which prevents them from being loaded for the return trip.

The 700 new cars, being leased from U.S. Railway Equipment and being built by its affiliated Southern Iron & Equipment group at Chamblee, Ga., are supplementing the 2,500 box cars (about 48% 50-footers) which B&M has had in service. Right now 100 of the older 50-foot cars are being overhauled at the road's Billerica, Mass., shops. Management now plans to do the same with 150 40-foot cars.

Certainly the bankruptcy so far has not been marked by a deterioration in the condition of B&M cars; the bad-order ratio has been slightly better than the national average in the 3,300-unit fleet. With current deliveries, ownership is now rising to 4,000.

● **No wasteland.** New England is far from the vast traffic wasteland that some rail restructurers may have thought it to be. Just two big B&M customers in far northern New Hampshire—Brown Paper at Berlin and Groveton Paper at Groveton—originate 40 outbound loads per day. There are several other paper shippers on B&M's 1,500-mile system along with producers of plastic products, rubber tires and similar high-rated commodities. Forwarder traffic is also another big item for B&M. Despite growing use of piggyback for many of these products, B&M sees a consistent heavy demand for box cars.

Traditional car service rules encouraged B&M to use foreign cars for its originated traffic and changes in these ICC and AAR regulations in recent years have accentuated the car supply problem. In 1972 B&M management had analyzed its loading patterns and projected traffic, coming up with the need for 1,200 more box cars. The financial condition of the road made it impossible to go for so many cars. In 1973 the newly elected chief executive officer, P.W. Cherington, soon won approval from the reorganization court for 700.

Bids were obtained quickly and by May 1973 B&M had entered into the 15-year lease (with options for extension) with U.S. Railway Equipment for its new equipment. Cars started rolling out of Chamblee in October and the order is to be completed shortly.

For a fiscally strapped carrier, leasing is about the only way to go. U.S. Railway can pass on in lower rentals the benefits from depreciation and investment tax credit which B&M itself could not utilize.

● **Improved per diem situation.** The new cars are expected to improve

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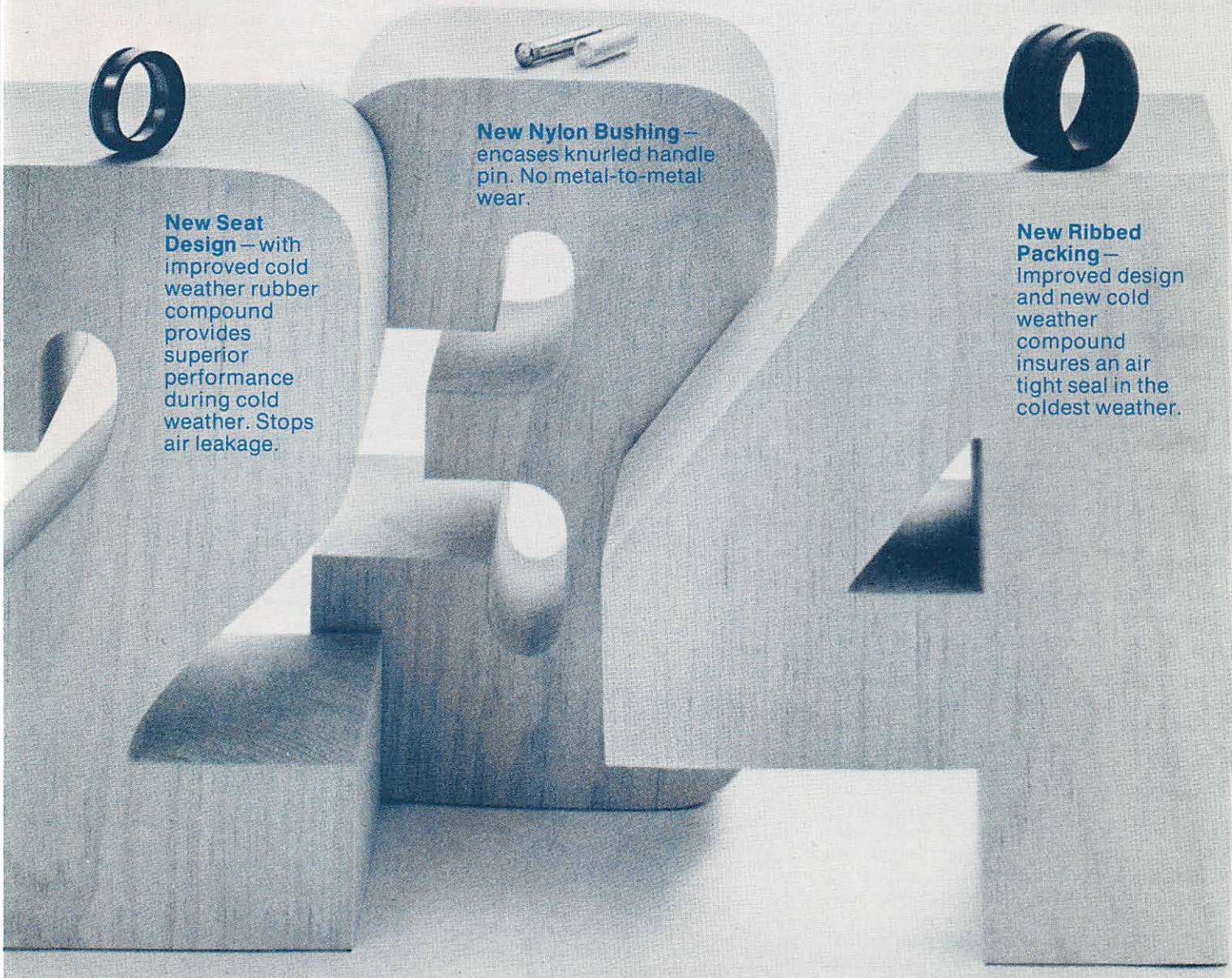

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B&M's debit per-diem status by about $1 million annually. Last year the net equipment rentals (including trailers, as well as incentive per diem) ran about $6 million. Estimates see these payouts down to $5 million in 1975 when all the new cars will have been running for an entire calendar year. B&M notes that straight per diem on the new cars will cover lease and maintenance costs (the straight lease makes B&M responsible for maintenance and ordinary wear and tear); the incentive per diem the cars will earn will benefit B&M's financial situation.

B&M has looked at a number of alternatives in further expanding its fleet. Since a number of its shippers require 40-foot box cars, it would not consider stretching any of the 1,300 which are now in service. Even if the court gives a go-ahead for the 500 additional new 50-foot cars, carbuilders may well not be able to deliver them by late 1975 when it would be desirable to have them in service.

"No matter what happens," says Alan Dustin, "we are still going to be short of cars to fill our customers' needs." The first 600 of the current order are free-running, general-purpose 70-ton cars with 10-foot doorways, nailable steel floors and standard draft gears. The final deliveries are 50 cars fitted with DF equipment and then 50 with DF equipment and cushion underframes. Customers have responded enthusiastically as the B&M has spotted new cars on their sidings. B&M then looks with some concern as these cars move off-line, knowing that many of them will not achieve the 20-day turnaround that it would like to see. Some of them may not be home for a long time.

● **National complaint.** All this may sound strange to railroads in other parts of the nation which report that their cars spend undue time in the East and Northeast. "But we must return an amazing number of Western cars empty, simply because we have insufficient loads moving in that direction," explains Dustin. "Western Pacific cars, for instance, go out of here empty and there is little we can do about it. In the same way, since shippers do not specify movements to midwestern points via Canada, we return a large number of Canadian cars to our interchanges with no loads in them."

B&M car service records indicate that its own assigned and free-running box cars, combined, are off-line better than 70% of the time. Based on the assumption that the new cars will be better utilized and will see less out-of-service time, B&M now expects that they may be off-line about 80% of the time. This will increase the per-diem return, reducing B&M's car hire charges, even if it does not do much to enhance on-line car supply.

Will Watergate dam up Federal car assistance programs?

With freight cars and Watergate being considered by Congress during the same session, it is a good bet that there might be no decision about freight cars (or other transportation legislation) this year. That could only mean that all such legislative proposals would have to be reintroduced to the new 94th Congress in 1975.

Assistance in financing new freight cars is incorporated in several legislative proposals which are now being considered. They include the Surface Transportation Act of 1973 (H.R. 5385) and the Transportation Improvement Assistance Act of 1974 (H.R. 12891). Then there is the Rolling Stock Utilization and Financing Act of 1973 (S. 1149) and the Rail Freight Transportation Improvement Act of 1974 (H.R. 13487).

All provide for loan guarantees of $2 billion to $5 billion for the transportation industry. H.R. 13487, recently introduced by Rep. Brock Adams (D.-Wash.) and apparently a tactic to produce a compromise position between STA and TIA (RA, April 8, p. 15) is aimed at keeping the Northeast disaster from being repeated elsewhere in the nation, according to its author. "Without financial assistance, the weak railroads will limp along without being able to buy the equipment or pay for the facilities needed to meet the new demands that the energy crisis will place on our railroad network," says Adams. It would give special loan guarantee consideration to car pooling companies which would provide free-running rolling stock.

ICC Chairman George M. Stafford recently noted at a House hearing that S.1149 is the only bill which involves direct government operating participation in the railroad industry though establishment of the federal Railroad Equipment Corp. if a freight car shortage were to persist two years after the Act's passage.

The ICC position, explained Stafford, is support of loan guarantees for surface transportation, adding that the railroads, need for such aid is "critical." The question, he continued, is the extent to which government should be committed because "the nation is now in the the nation is now in the midst of a severe freight car shortage, and large investments in rolling stock are required if the railroads are to meet the present and future needs of this country."

Equipment obligations increased by 80% in less than a decade, from $2.5 billion in 1962 to $4.5 billion in 1971. The average interest rate rose from 3.93% to over 6% so that interest charges and equipment rents doubled between 1962 and 1972—going from $706 million to $1.415 billion. "Since then shortages have soared," said Stafford.

"Government-guaranteed equipment obligations would likely bear a lower interest rate then present obligations," explained the ICC chairman. "This would reduce the financial burden upon an industry beset by low earnings and high capital requirements.

"At the Commission, we have used our existing authority to mitigate the effects of shortages, but these efforts have not been enough. We believe loan guarantees will aid railroads in increasing their car fleets. They would also permit a reversal of the widespread and persistent deferral of track maintenance which has caused considerable deterioration in rail service. . .Capital expenditures necessary to cover the several categories which would be eligible for financial assistance under the bills would be large. Pending outcome of the Northeast restructuring plan, it is impossible to estimate what dollar amount would be necessary."

The Transportation Association of America has cautioned that the strong labor-protection conditions of H.R. 13487 would "unduly restrict management in making normal business decisions as to whether work can best be performed within railroad shops by railroad employees or subcontracted." The conditions, said TAA, "could well discriminate against employees of the many independent carbuilding companies which are ready, willing and able to build or rebuild any rolling stock." TAA "seriously questions the wisdom of including labor protective policies" in any financial-assistancc legislation.

Looking at the Federal car pool of H.R. 1149, TAA noted that private enterprise is now working to solve this problem and the Government should not be permitted to usurp this function before the private programs have a "fair trial."

LEASING cars and locomotive, along with contracting car loading, has been effective for G-P Louisiana operation.

G-P gets more from its car fleet

Keeping track of a fleet of leased tank cars can present numerous problems, in-plant and externally, for an operator such as the Chemical Division of Georgia-Pacific. The problem is going to get larger as the existing plant for producing methanol, phenol and related products at Plaquemine, La., is being expanded with two new facilities—one which is to produce polyvinyl chloride and other chlorine and caustic soda. It is expected that the tank-car fleet and attendant paperwork will then be tripled.

When the Plaquemine plant was brought on stream in 1971, Roger Feig moved from G-P's general office in Portland, Ore., to work as traffic supervisor with L.D. Fergesen, sales service manager, in setting up a brand new traffic department. As a major producer of plywood, lumber, paper, pulp and packaging, G-P has long been involved in chemicals, both as a manufacturer for its internal needs and of market chemicals for other users of products such as phenolic resins, chlorine, caustic and similar compounds.

Plaquemine's methanol and phenol, both ingredients used in resins which go into G-P's plywood and particle board, are produced at the annual rates of 330,000 tons and 100,000 tons, respectively. By-products include 60,000 tons of acetone and 7,500 tons of alpha-methyl styrene. "The problem facing us," says Feig, "is keeping this continuous flow of products moving efficiently out of our plant. Unlike some other products, you cannot just stockpile these chemicals."

About 40% of the total output is moved in 184 tank cars to other G-P divisions and to outside customers. Included in the car fleet are 50 Funnel-Flow cars leased from Union Tank Car. The remainder of Plaquemine's production moves by highway and waterway.

Although methanol is flammable and must be handled with routine safety precautions, it does not present the specialized shipping requirements of phenol, a viscous compound which "freezes" at 105 degrees F and will discolor if too much heat is applied.

G-P likes to ship phenol in insulated 20,000-gallon Funnel-Flow cars with Union Tank's Header-Heater system that assures complete unloading. For a typical shipment to Coos Bay, Ore., a 12-day trip made three times a week, the phenol is loaded at 130 degrees F and drops about three degrees each day until arrival at Coos Bay, where steam is applied to the heater system overnight to melt the phenol to a flowing consistency for unloading.

To keep things running smoothly, Plaquemine leased its own switching locomotive because of the expense involved in extra-plant switching by Texas & Pacific which serves the facility. "We are set up to load six methanol cars and four phenol cars at one time," explains Feig. "But we often load more of each on a given day. We soon realized it was cheaper to lease the locomotive than to pay the switching charges that result when cars required a second spotting."

G-P has also contracted the car loading on a daily basis, rather than having the necessary employees on its own payroll. Initially, G-P began contracting for licensed "tankermen" from a local agency for unloading barges and ships on the Mississippi River. The idea also made sense for rail movements too, because it provided a flexible work force that can be varied in size to meet day-to-day car loading requirements. The same men, over a period of months, now have a continuity of experience with tank cars that would be hard to duplicate.

To keep track of cars in the plant and en route to destinations, Feig now has a large metal "map" on which he maintains the status of the fleet. Magnetic symbols, each featuring one of three colors to denote the product normally carried and sporting the number "1", "2", or "3" to denote car size (10,000, 20,000 or 30,000 gallon), are jockeyed around the board to match actual movements of the 184 cars.

Auditing in-plant and customer moves has thus been easy. To audit railroad mileage allowances, G-P avails itself of the Union Tank Car computerized MATCH (Mileage Allowance Trip Check) system. The MATCH route codes provide lessees the ability to audit payments accurately for each trip, giving credit sooner and eliminating paperwork.

"There is no simple way for any tank car lessee to audit allowances," observed Feig. "Union Tank's system gets mileage payments to us only 60 days after the shipment is reported, and, simultaneously, gives us the detailed data we need to completely audit payments received with payments due. It has cut our auditing time by a third."

Seven persons are currently involved in the shipping department at Plaquemine. With the probable tripling of output and shipping problems, Feig and Fergesen are now weighing the relative advantages of assigning the additional work load on a functional basis (i.e., one person handling all rate matters) as opposed to a product basis (one person following total product from order to delivery). They are also considering two track layout boards—one for in-plant switching and the other for tracing on routes G-P cars use.

"One thing we want to do is put our external tank car movements on a computer," says Feig. "Union Tank's MATCH gives us the start for that. I wish keeping track of our other car allowances was so simple."

Meat is truck-competitive in westbound

Mechanical refrigerator cars are expensive to buy, expensive to own. And yet, all too often, because of the nature of the business, loaded car-miles and empty car-miles on mechanical refrigerator cars balance out at 50-50.

Various tries have been made at getting two-way hauls. Some have worked reasonably well, some haven't. One that does seem to be working out involves the Pacific Fruit Express fleet—and, of all things, westbound meat traffic.

PFE, jointly-owned by Union Pacific and Southern Pacific, has about 13,000 mechanical refrigerator cars—something over half of the national fleet. Eastbound movements under load, fruits and vegetables, are heavy. But westbound movements are something else again, and it is this empty backhaul or return-haul problem that is being attacked by Union Pacific and its eastern connections.

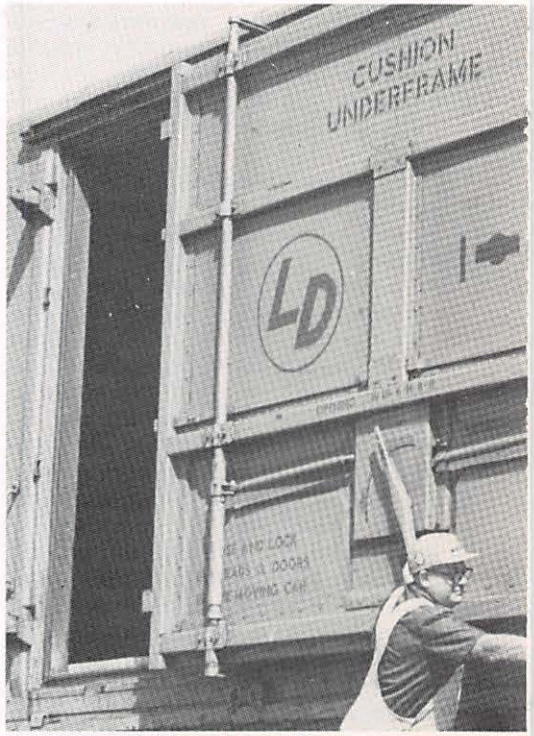
Rail transportation of meat has been a problem for a long time, though, too. Changing operating patterns in the whole producing industry, at all levels, have had their impact. Trucks long ago moved into the market. And as they did, railroads found themselves losing a lot of the business—and keeping, in too many instances, only that part of the traffic on which it was difficult if not impossible to make a profit.

● **Making up time.** What the western roads have done is, most simply put, to get competitive. Midwest meat packers shipping to West Coast points need an exceptionally fast service, principally because of the relatively short shelf-life of the product, and this service requirement has been one big reason why railroads have not participated in the business to any great extent.

But, the heavy eastbound movement of PFE cars does produce an excellent supply of empties in the meat-producing area. Now, working with connecting lines—Chicago & North Western, Rock Island, Milwaukee Road and Illinois Central Gulf—Union Pacific has been able to coordinate their schedules with hotshots departing Bailey Yard at North Platte, Neb. Blocking has been improved, other operating innovations have been made. The result has been a slicing of one to two days from transit time on westbound schedules—thus making the rail service competitive with truck service on a time basis. UP points out that use of the mechanical refrigerator cars also offers the shipper excellent product protection. And, there is a substantial cost saving, about $1 per hundredweight, under truck-transportation cost. (Almost all of the meat moving in this rail service is packaged in one form or another, much of it in metal returnable bins or disposable bins.)

What the western roads are doing is important in terms of making greater use of costly rail equipment. It is also perhaps important in terms of improving the railroad position in a kind of traffic that is certain to grow.

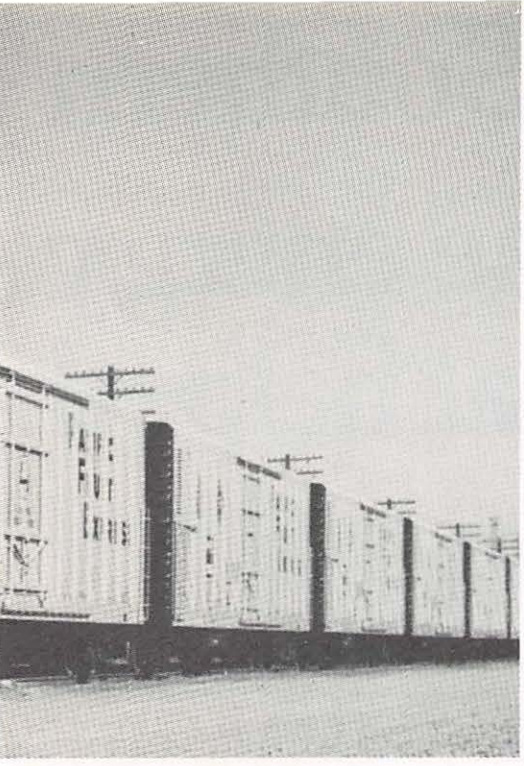
For instance, there are these general observations from the U.S. Department of Agriculture:



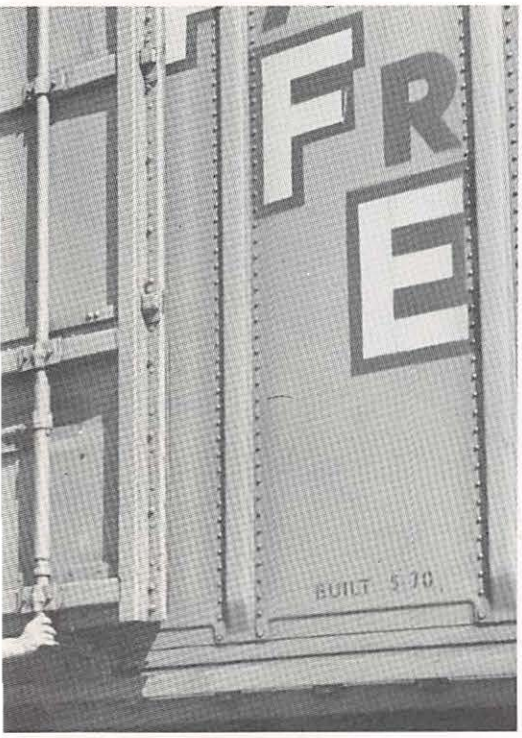
RETURN REVENUE LOADS of fresh meat are

—Total meat consumption in the United States (which is already No. 1 in the world in per-capita meat consumption) will increase and "this, of course, means that the total amount of meat to be transported will increase significantly."

—With the increasing urbanization of the country and with increased costs of transportation for feed grains, meat may



PFE reefers



paying off for UP and connections.

well be shipped over longer distances in the future.

—Because of market demand and because of the need for further economies in the physical-distribution system for fresh meat, shipment of boned and boxed cuts will increase and shipment of carcass meat will show decreases. This could have an important side benefit in the area of loss-and-damage prevention, since boxed cuts will be cut and packaged in cool meat-packing rooms and will be adequately chilled when they are loaded into the refrigerated car or trailer. In addition, natural insulating properties of the boxes will help to reduce heat pickup by the chilled meat during loading and unloading.

—The experts are looking for further advances in refrigeration technology and in vehicle design which should help to improve quality in refrigeration of meat in transit.

● **The payout problem.** In the meantime, railroads are spending a lot of money on meat and other perishable shipments—money in claim payout and money in pre-trip work on railcars and trailers that will be hauling the product. On L&D payout, the most recent firm figures available indicate some progress in cutting fresh-meat claims, but little or none in reducing payout on fresh fruits and vegetables.

And on meat, an ironic thing is that no matter how well the railroad may do its job, it may still wind up with claims on so-called off-condition meat because of factors outside its control. An investigation reported on last year came up with these findings:

—On beef carcasses, methods of handling, chilling and loading vary widely from packer to packer and from plant to plant.

—Many packers were chilling meat quarters for only 24 hours before loading instead of the 48 hours needed to lower interior temperatures to an acceptable level for safe transportation.

—Many packers giving carcasses 24 hours of chilling are relying on the transport vehicle's refrigeration system to complete the chilling process. This, however, is not the purpose of a car or trailer refrigeration system. Thus, in many instances, the amount of additional chilling accomplished in the vehicle was not enough to prevent some deterioration. And, the longer such shipments were in transit, the more extensive the deterioration was likely to be.

In studies of claim data and destination-inspection reports, USDA noted that as much as 90% of meat claim payout was attributed to temperature failure. Losses in shipments by mechanical refrigerator cars were found to be far lower than losses in shipments in piggyback trailers—but this, USDA figures, was probably due to the much smaller volume then moving by railcar and "the generally greater and more effective cooling capabilities of the mechanical cars."

Available evidence, a USDA spokesman said (in a statement that hardly pinned down the real source of the problem), "indicates that a significantly greater part of meat losses in transport are caused by an off-condition from inadequate refrigeration of the product between the time the animal is killed and the time the meat is delivered to the wholesale receiver or the chain store facilities. The USDA is more deeply concerned about this particular problem than any other relating to the transportation of fresh meat."

● **Meat—and more.** So, studies of the total problem go on, railroads handling meat and other perishables step up their pre-tripping efforts and their monitoring of movements—and western roads are showing some progress in gaining and regaining business that seemed locked into truck transport.

It could be noted, too, that meat is not the only commodity on which Union Pacific is looking for better utilization and better customer-service features on mechanical refrigerator cars. Another service involves a mixing of onions from Idaho and Oregon with potatoes from eastern Idaho in a single car—a service which enables the shipper to take advantage of 80,000-pound incentive rates while (1) he can ship in smaller quantities, and (2) the receiver can maintain smaller inventory.

UP introduced the mix in the 1973-74 shipping season and got "encouraging though limited" response. Down the road, however, UP traffic people think the service will become more important as more railroads join in and as the supply of smaller, ice-bunker refrigerator cars diminishes.

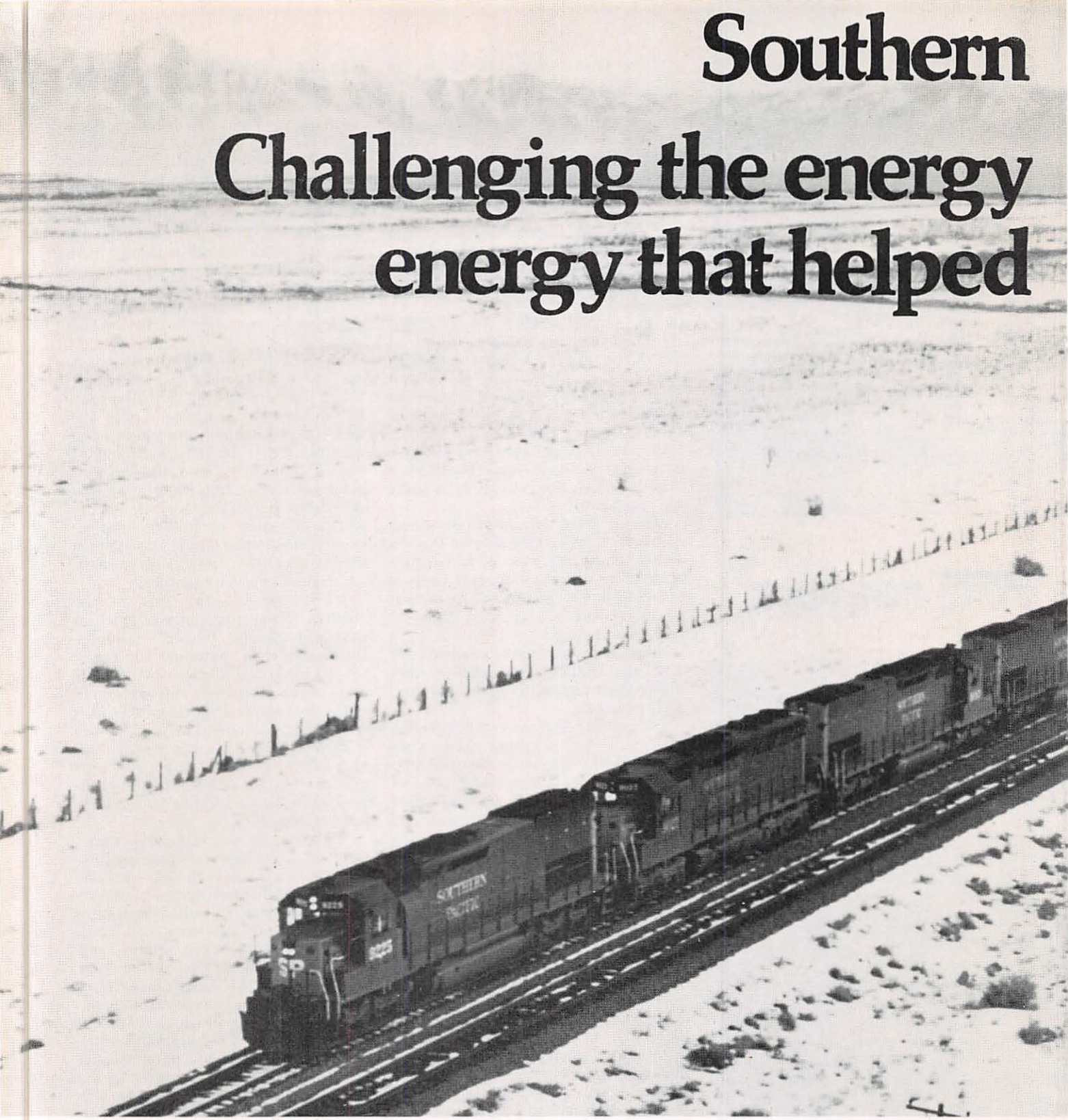
Originally, only roads serving Chicago and west and the Southwest were involved, but late last year the Southern Freight Association joined (with exceptions on two roads).

UP points out that this service wasn't designed to compete with single-commodity loads of 80,000 pounds: actually, mixed-load rates are slightly higher—but they do offer savings as compared with shipment of small volumes of potatoes or onions separately in either mechanical or ice-bunker cars. For the 1974-75 season, UP plans another incentive, storage-in-transit service which will permit storage of onions in eastern Idaho at the beginning of the season and mixing with potatoes later on. Potatoes will then move on the eastern-Idaho rate, onions on the through-rate, shippers will pay a storage-in-transit charge and a minimal out-of-linehaul charge. But, UP feels that the service will be of especial benefit to receivers wanting very small quantities on the onion side—and it believes that the total service, including the in-transit option, shows great potential because it provides the producers with new marketing tools.

Meat, onions and potatoes. . .an attack on an old problem, the empty return movement on mechanical reefers. . .a couple of wedges into new markets. As one observer put it, "Pass the salad, and let's dig in." ■

Southern

Challenging the energy energy that helped



We're delivering 1.6 million gallons of crude oil per unit-trainload from Utah to a San Francisco Bay Area refinery. These special "energy trains" we rushed into service to meet critical Northern California petroleum needs are being delivered on regular schedules.

Our trains produce 238 ton miles of transportation per gallon–4 times more than highway transportation, 125 times more than air.

We're highly efficient users of energy. And we're doing even more to improve the inherent fuel efficiency of rail transportation. Our programs such as computer simulated operations for our freight trains, special modifications to our diesel locomotives and careful policing of our fueling techniques are producing even greater economies in the use of energy.

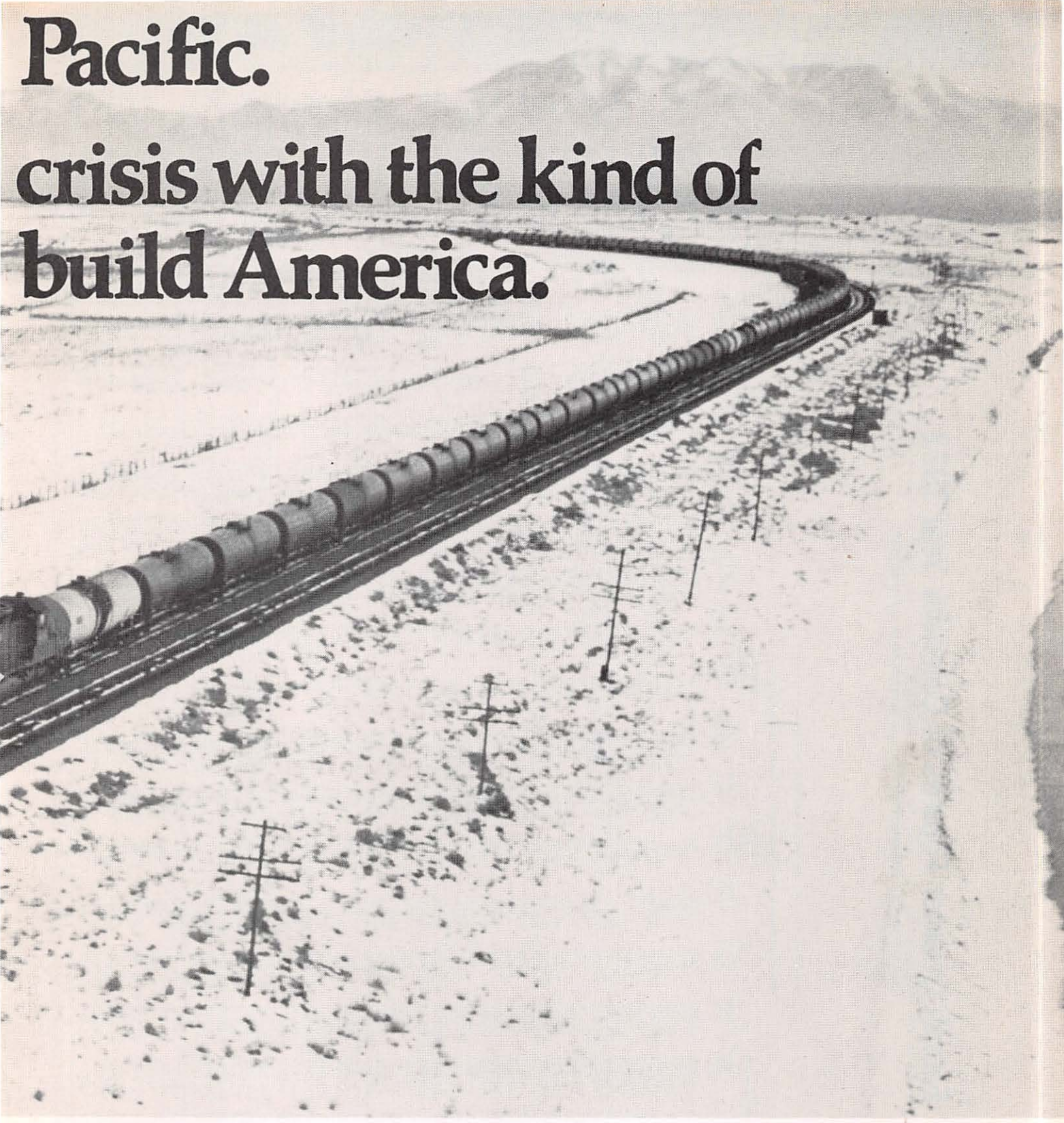
And by piggybacking thousands of containers and highway trailers we're making the fuel available for transportation go even further.

We're helping hold down inflation by providing shippers the most economical form of freight transportation in the nation.

To help increase our efficiency and reduce our customers' shipping

Pacific.

crisis with the kind of build America.



costs even further, we've also developed money-saving unit train operations, not only for crude oil, but for iron ore, steel, coal, autos and auto parts, and perishables. And we're urging shippers to load cars to full capacity to take advantage of incentive rates as well.

In the last 5 years we've added over 25,500 new freight cars and over 700 locomotives.

And we spent millions more to increase the efficiency of our terminals and general railroad operations. Almost a billion dollars in capital expenditures on our railroad alone. No other railroad can match that. And this year we're investing another $150 million in new rolling stock and millions more for improvements to make our railroad even better.

We do everything we can to conserve energy and fight inflation. We have the transportation plant—and the people—to do the job. And we're doing it.

Southern Pacific.

We're making tracks for the future.

Fourth Quarter Figures of Calendar Year 1973

(Dollar figures are stated in thousands: i.e., with last three digits omitted)

Name of Road		Operating Revenues				Operating Expenses													Net Railway operating income		Net income	
						Maint. of Roadway and Structures			Maint. of Equipment													
		Freight	Other	Total 1973	Total 1972	Total 1973	Total 1972	Deprec. and Retirements	Total 1973	Total 1972	Deprec. and Retirements	Traffic	Transportation	Total 1973	Total 1972	Operating ratio 1973	Operating ratio 1972	Railway tax accruals	1973	1972	1973	1972
Akron, Canton &	3 mos.	2,121	79	2,200	2,002	304	436	40	401	392	119	74	917	1,804	1,891	82.0	94.5	343	285	172	231	29
Youngstown	12 mos.	8,659	272	8,931	7,614	1,148	1,379	94	1,497	1,508	479	311	3,729	7,341	6,917	82.2	90.8	1,090	1,314	550	970	81
Amtrak	3 mos.	—	51,245	51,245	40,066	991	1,090	97	16,256	14,209	944	6,998	41,005	86,215	75,070	168.2	187.4	6,419	(42,826)	(40,217)	(44,884)	(40,512)
	12 mos.	—	202,092	202,092	162,580	4,495	4,958	223	65,941	60,001	4,627	26,542	158,244	327,531	286,339	162.1	176.1	22,731	(154,354)	(145,949)	(158,627)	(147,511)
Ann Arbor	3 mos.	2,191	62	2,253	2,693	321	513	33	880	455	146	57	1,191	2,624	2,487	116.4	92.3	249	(870)	(238)	(1,140)	(474)
	12 mos.	10,237	305	10,542	11,003	1,601	1,621	117	2,720	2,322	618	175	5,187	10,318	10,240	97.9	93.0	905	(1,887)	(1,105)	(2,861)	(1,958)
Atchison, Topeka &	3 mos.	242,323	14,274	256,506	218,763	39,442	34,772	2,803	44,577	42,193	11,492	5,759	94,556	195,192	169,701	76.10	77.57	30,402	23,684	23,969	28,359	22,616
Santa Fe	12 mos.	901,595	46,148	947,743	831,696	147,520	132,826	12,063	176,725	164,045	44,859	21,690	361,343	749,696	647,310	79.10	77.83	92,059	81,408	86,764	88,929	80,866
Auto-Train	3 mos.	—	4,757	4,757	3,334	133	297	29	699	575	82	365	1,350	3,507	2,523	73.7	75.7	275	247	374	137	288
	12 mos.	—	17,398	17,398	12,197	886	1,344	113	2,252	1,729	297	1,238	4,746	13,021	10,423	74.8	85.5	1,026	1,217	2	806	(1,342)
Baltimore & Ohio	3 mos.	138,614	6,934	145,549	133,880	17,473	20,045	3,094	20,652	17,360	2,896	2,966	54,251	104,530	97,364	71.8	72.7	11,726	9,489	10,088	6,453	(1,451)
	12 mos.	532,882	22,544	555,426	502,384	69,020	69,645	8,558	76,500	67,566	11,455	11,866	210,161	402,137	367,697	72.4	73.2	41,462	40,231	36,510	31,805	10,445
Bangor & Aroostook	3 mos.	3,617	230	3,847	3,613	1,066	1,018	76	1,295	1,230	453	81	1,268	3,978	3,763	103.4	104.2	474	791	1,069	506	754
	12 mos.	13,546	816	14,363	13,752	3,902	3,768	342	5,213	5,114	1,845	349	5,015	15,499	14,720	107.9	107.0	1,593	2,207	2,744	983	2,057
Bessemer & Lake	3 mos.	14,478	1,157	15,635	13,288	1,914	1,643	374	2,845	1,710	291	182	3,656	9,737	7,848	62.3	59.1	3,627	2,283	2,500	1,544	2,509
	12 mos.	50,095	3,903	53,998	47,600	7,218	7,772	836	10,161	10,625	1,931	684	13,796	36,353	35,377	67.3	74.3	11,220	6,742	5,045	5,944	5,347
Boston & Maine	3 mos.	17,771	4,187	21,964	19,829	3,072	2,859	550	3,522	3,521	587	395	9,807	17,958	17,750	81.8	89.5	1,936	(233)	(1,479)	13,452	(4,783)
	12 mos.	67,956	14,767	82,723	77,298	13,684	13,404	1,830	13,312	13,230	2,408	1,545	38,492	71,741	69,289	86.7	89.6	6,758	(4,492)	(5,504)	6,189	(11,641)
Burlington	3 mos.	282,097	13,809	295,906	265,167	41,365	39,906	4,616	45,287	45,205	11,129	7,197	115,854	224,484	216,119	75.9	81.5	36,088	26,495	19,279	24,204	17,666
Northern	12 mos.	1,044,994	48,609	1,093,603	1,000,517	177,957	158,831	20,069	182,863	176,344	44,014	27,458	453,902	903,803	827,621	82.6	82.7	109,611	43,482	48,200	38,656	40,961
CPR Lines in	3 mos.	2,332	66	2,398	1,987	457	394	68	490	414	47	70	1,024	2,185	1,800	91.1	90.6	125	(274)	(259)	——	——
Maine	12 mos.	9,230	276	9,506	8,886	1,890	1,861	269	1,851	1,674	187	256	3,838	8,375	7,504	88.1	84.5	457	(781)	(511)	—	—
Central RR of	3 mos.	6,582	4,148	10,730	9,908	1,214	1,146	292	1,908	1,526	217	182	5,465	9,703	8,720	90.4	88.0	1,169	(1,571)	(977)	(1,198)	1,964
New Jersey	12 mos.	27,376	15,346	42,722	41,504	4,405	5,193	1,010	6,430	7,418	895	685	21,081	36,186	39,015	84.7	94.0	4,158	(3,447)	(6,329)	(3,516)	(5,501)
Central Vermont	3 mos.	2,246	107	2,353	2,575	887	964	66	75	286	15	37	1,196	2,300	2,564	97.7	99.6	280	36	8	(121)	(141)
	12 mos.	8,901	472	9,373	10,062	2,554	2,577	154	928	846	63	130	4,741	8,772	8,193	93.5	81.4	989	329	1,185	(304)	596
Chesapeake &	3 mos.	123,241	6,310	129,551	113,981	15,270	9,814	3,079	23,075	20,642	6,245	2,541	48,700	97,572	85,290	75.3	74.8	14,650	14,298	16,036	11,694	3,988
Ohio	12 mos.	467,811	22,251	490,062	451,330	56,886	52,414	7,595	87,640	80,679	24,702	10,057	190,972	377,580	343,949	77.1	76.2	52,179	48,233	52,412	39,392	32,869
Chicago & Eastern	3 mos.	11,316	180	11,497	9,991	1,998	1,396	238	1,909	1,432	531	253	3,895	8,554	6,317	74.4	63.2	965	2,007	1,611	2,221	1,276
Illinois	12 mos.	43,687	680	44,367	39,578	7,938	7,381	597	7,389	6,838	1,885	1,093	14,176	32,484	29,167	73.2	73.7	3,916	6,176	3,340	6,093	2,715
Chicago & North	3 mos.	96,602	12,686	109,288	95,284	13,818	11,591	(641)	18,587	14,340	3,257	2,512	48,206	89,075	73,667	81.5	77.3	9,450	2,114	8,651	(91)	7,927
Western	12 mos.	372,125	44,556	416,681	216,432	48,967	28,257	(951)	67,915	31,396	12,711	9,772	176,543	325,435	167,337	78.1	77.3	32,563	22,116	16,587	15,260	11,600
Chicago Milwaukee,	3 mos.	84,717	6,893	91,610	82,618	14,584	15,996	1,870	13,017	12,094	2,549	2,449	38,514	73,619	68,327	80.4	82.7	8,616	(756)	167	1,365	344
St. Paul & Pacific	12 mos.	329,752	25,639	355,390	312,832	58,818	57,803	6,608	49,700	51,166	10,388	9,815	147,380	285,527	265,411	80.3	84.8	30,263	2,001	(6,783)	3,405	(8,643)
Chicago Rock Island	3 mos.	79,162	5,586	84,748	77,133	9,699	10,788	511	14,748	12,829	1,552	2,049	38,321	68,619	62,745	81.0	81.3	6,715	(3,348)	(1,114)	(556)	(1,306)
& Pacific	12 mos.	308,991	20,011	329,002	305,290	41,597	43,457	2,234	57,213	53,738	6,256	8,354	146,572	269,142	246,338	81.8	80.7	24,797	(18,186)	(5,502)	(14,980)	(5,855)
Clinchfield	3 mos.	9,152	250	9,402	9,562	1,203	1,032	87	1,589	1,554	631	284	2,779	6,140	6,079	65.3	63.6	942	—	—	—	—
	12 mos.	38,610	615	39,225	40,215	4,428	4,381	342	6,706	6,673	2,562	1,170	11,152	24,833	24,814	63.3	61.7	3,660	—	—	—	—
Colorado &	3 mos.	8,262	222	8,485	7,275	1,030	994	59	1,549	1,152	474	18	3,289	6,340	5,387	88.5	74.0	654	1,239	933	973	608
Southern	12 mos.	30,426	1,043	31,469	27,182	4,155	3,041	264	5,062	4,061	1,899	100	12,622	23,698	18,640	75.3	68.6	2,584	3,961	5,362	2,837	4,346
Delaware & Hudson	3 mos.	11,048	299	11,347	10,976	1,119	1,212	115	2,459	1,985	391	368	4,263	9,024	7,955	79.5	72.5	1,301	685	1,361	375	2,962
	12 mos.	43,277	1,137	44,415	41,833	5,415	4,901	441	9,034	8,570	1,565	1,371	16,757	35,526	33,279	80.0	79.6	5,464	1,905	1,241	3,358	1,068
Denver & Rio Grande	3 mos.	31,235	637	31,872	29,843	31,933	4,234	418	5,411	4,291	1,636	1,056	10,832	22,302	20,901	70.0	70.0	5,203	4,670	4,435	6,496	4,474
Western	12 mos.	115,902	2,972	118,874	112,671	15,714	13,945	1,711	20,140	17,175	6,493	4,145	40,190	87,197	77,572	73.4	68.8	16,212	16,773	17,910	18,051	17,036

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Who? *Someone you'd like to see get ahead!*
How? By his signing up for a one year study course to update his shop craft skills. Courses available include:

1-Year Skill Improvement Program for CARMEN: safety, car details, inspection, interchange rules;

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Forty-five railroads use it - most have for decades - one has for 59 years.

Fourth Quarter Figures of Calendar Year 1973

(Dollar figures are stated in thousands: i.e., with last three digits omitted)

Name of Road		Operating Revenues				Operating Expenses										Operating ratio		Railway tax accruals	Net Railway operating income		Net income	
						Maint. of Roadway and Structures			Maint. of Equipment													
		Freight	Other	Total 1973	Total 1972	Total 1973	Total 1972	Deprec. and Retirements	Total 1973	Total 1972	Deprec. and Retirements	Traffic	Transportation	Total 1973	Total 1972	1973	1972		1973	1972	1973	1972
Detroit & Toledo	3 mos.	2,176	157	2,333	2,141	285	257	8	366	406	107	80	761	1,653	1,589	70.9	74.2	320	239	219	273	248
Shore Line	12 mos.	8,621	590	9,211	8,265	1,026	906	76	1,452	1,400	448	307	2,867	6,286	5,776	68.2	70.0	1,508	962	878	1,009	816
Detroit, Toledo &	3 mos.	10,748	801	11,549	11,181	1,507	1,272	96	2,005	1,940	413	292	4,620	9,185	8,319	79.5	74.4	1,054	(12)	1,163	(279)	1,011
Ironton	12 mos.	42,439	2,774	45,213	41,724	5,474	4,359	364	8,627	7,312	1,700	1,223	17,900	36,322	30,851	80.3	73.9	3,664	364	3,998	277	3,415
Duluth, Missabe &	3 mos.	12,359	843	13,202	9,573	2,896	1,590	356	2,140	1,637	581	79	4,102	10,617	7,481	80.4	78.1	2,671	280	341	2,547	705
Iron Range	12 mos.	55,286	4,388	59,674	49,232	8,731	6,828	1,165	7,894	6,936	2,289	303	15,742	38,013	31,137	63.7	67.3	15,321	7,713	4,836	11,141	5,782
Duluth, Winnipeg	3 mos.	4,134	5	4,139	3,437	437	1,554	21	435	560	2	74	1,325	2,370	3,259	57.27	94.8	393	1,249	(49)	1,155	(234)
& Pacific	12 mos.	14,676	113	14,789	13,150	1,808	3,114	70	1,599	1,466	10	334	5,029	9,115	9,376	61.63	71.3	1,417	4,281	2,257	3,867	1,812
Elgin, Joliet &	3 mos.	15,089	9,731	24,820	19,405	1,848	1,690	48	2,999	2,547	501	272	8,155	15,537	13,536	62.6	69.8	5,236	2,627	1,230	4,670	1,852
Eastern	12 mos.	56,333	34,138	90,471	72,544	7,879	6,950	483	11,140	10,948	2,093	1,065	31,844	61,040	53,577	67.5	73.9	16,592	7,468	4,609	11,161	6,343
Erie Lackawanna	3 mos.	66,841	8,488	75,329	69,179	9,059	7,501	722	12,512	10,707	1,875	1,414	35,849	62,584	55,681	83.1	80.5	7,126	(2,386)	2,040	(6,196)	(971)
	12 mos.	256,862	32,518	289,379	263,594	35,844	28,995	3,084	48,959	44,522	7,448	5,685	136,193	241,414	223,169	83.4	84.7	25,475	(6,977)	(7,744)	(18,572)	(23,541)
Florida East	3 mos.	12,621	667	13,288	11,925	1,853	58	251	1,181	945	317	256	2,902	6,800	5,201	51.2	43.6	2,975	1,870	2,636	2,591	3,128
Coast	12 mos.	45,497	2,115	47,612	39,512	9,699	7,073	845	4,297	3,648	1,270	1,017	10,360	27,618	23,307	58.0	59.0	8,015	5,925	5,470	8,168	6,267
Fort Worth &	3 mos.	8,694	524	9,218	6,612	1,887	1,026	90	929	707	113	70	4,256	7,623	5,442	82.7	82.3	652	(1,069)	(221)	(1,667)	(154)
Denver	12 mos.	34,812	2,037	36,849	24,099	5,482	3,816	303	3,055	3,071	458	284	16,775	27,462	20,022	74.5	83.1	2,110	(231)	(1,585)	(392)	(1,680)
Georgia	3 mos.	2,833	172	3,004	2,795	547	380	87	543	690	110	110	1,375	2,720	2,769	90.5	99.1	253	(385)	(391)	—	—
	12 mos.	10,707	550	11,258	11,189	2,066	1,545	514	1,893	1,973	420	451	5,101	10,100	9,286	89.7	83.0	809	(977)	(197)	—	—
Grand Trunk	3 mos.	26,992	1,326	28,318	23,967	3,343	4,146	349	3,767	3,733	150	553	13,531	23,518	21,713	83.0	90.6	3,015	(2,188)	(4,494)	(5,517)	(7,318)
Western	12 mos.	104,138	4,740	108,878	89,887	13,863	13,242	734	14,605	13,659	561	2,055	51,178	89,446	80,185	82.2	89.2	10,177	(6,804)	(13,943)	(11,250)	(18,307)
Green Bay &	3 mos.	2,171	113	2,284	2,039	380	379	27	437	317	56	148	572	2,010	1,749	88.00	85.74	190	117	(45)	34	3
Western	12 mos.	8,337	442	8,779	7,843	1,474	1,361	97	1,297	1,189	212	587	3,188	7,242	6,606	82.50	84.23	833	245	(7)	282	(14)
Illinois Central	3 mos.	126,637	8,943	135,580	112,378	17,824	16,603	1,218	16,577	17,936	226	2,888	52,646	96,346	89,494	70.3	79.6	15,124	15,133	4,492	18,223	16,833
Gulf	12 mos.	492,356	33,636	525,993	474,104	72,409	72,691	6,887	81,537	83,090	16,446	11,827	200,389	395,442	375,180	75.2	79.1	52,598	42,757	26,891	45,132	37,624
Illinois Terminal	3 mos.	3,165	515	3,680	3,180	599	323	18	564	584	159	126	1,691	3,277	2,620	89.1	82.4	359	166	413	(92)	212
	12 mos.	12,727	1,905	14,632	12,390	2,163	1,508	43	2,109	1,933	556	461	5,875	11,749	9,673	80.3	78.1	1,152	1,519	1,313	638	832
Kansas City	3 mos.	28,995	1,917	30,912	27,491	4,138	3,960	196	5,641	4,381	1,258	988	12,285	24,568	20,472	79.5	74.5	1,698	659	2,503	(582)	2,047
Southern	12 mos.	114,082	6,872	120,954	106,415	16,689	15,953	955	20,048	17,012	4,917	3,972	45,915	92,414	77,830	76.4	73.1	6,907	5,647	10,423	549	7,793
Lake Superior &	3 mos.	1,126	515	1,641	1,667	353	268	82	462	513	184	9	651	1,677	1,559	102.2	93.5	119	(39)	166	7	180
Ishpeming	12 mos.	4,188	2,153	6,341	5,454	1,223	1,074	305	1,622	1,765	734	33	2,295	5,766	5,459	90.9	100.1	834	234	(75)	191	(131)
Lehigh Valley	3 mos.	14,438	498	14,936	14,244	1,928	1,367	323	2,870	3,342	332	414	6,292	12,453	13,079	83.4	91.8	1,519	(1,288)	(2,189)	(2,134)	(6,349)
	12 mos.	56,178	1,880	58,057	51,129	7,657	6,831	1,253	11,433	11,414	1,272	1,740	25,769	50,795	47,787	87.5	93.5	5,304	(7,924)	(8,942)	(7,626)	(17,693)
Long Island	3 mos.	2,478	22,780	25,258	17,092	5,584	7,107	550	9,106	10,298	1,324	161	19,434	39,101	38,066	154.8	222.7	3,108	(18,647)	(24,169)	(19,062)	(19,913)
	12 mos.	8,586	84,143	92,730	94,312	21,593	21,792	2,212	31,568	34,797	5,202	676	75,091	149,379	146,694	161.1	155.5	9,465	(73,290)	(65,987)	(72,529)	(63,396)
Louisville &	3 mos.	132,392	4,741	137,133	118,404	16,922	16,468	1,539	24,746	23,331	7,607	2,614	51,439	101,706	93,886	74.2	79.3	12,507	16,989	11,737	11,388	8,389
Nashville	12 mos.	489,185	15,502	504,687	458,478	65,184	62,425	6,104	93,057	91,436	30,822	10,093	192,403	384,304	359,796	76.1	78.5	42,799	50,401	46,578	31,580	29,002
Maine Central	3 mos.	7,598	214	7,812	7,107	1,797	1,593	99	1,860	1,496	306	121	2,729	7,010	6,348	89.7	89.3	756	553	496	519	263
	12 mos.	29,419	765	30,184	28,209	6,587	6,406	379	6,470	6,165	1,182	497	10,788	26,235	25,206	86.9	89.4	2,533	2,131	1,029	1,560	124
Missouri-Illinois	3 mos.	1,727	23	1,750	1,930	392	303	10	928	672	437	58	668	2,145	1,558	122.6	80.7	412	637	987	423	872
	12 mos.	6,843	106	6,949	7,667	1,120	1,318	46	3,265	2,843	1,665	226	1,942	6,928	6,403	99.7	83.5	1,523	3,392	3,152	2,537	2,705
Missouri-Kansas-	3 mos.	22,278	1,239	23,517	20,115	2,578	2,862	262	2,805	2,698	335	997	9,361	16,744	15,653	71.2	77.8	1,776	194	(563)	(248)	(1,027)
Texas	12 mos.	85,409	4,634	90,042	78,968	11,656	10,944	1,064	11,646	10,190	1,323	3,884	36,053	67,132	59,416	74.6	75.2	6,658	(2,015)	(969)	(8,196)	(2,560)
Missouri Pacific	3 mos.	137,678	6,468	144,145	117,752	17,853	18,291	842	23,530	19,211	4,189	2,774	57,375	106,754	90,225	74.1	76.6	9,961	10,344	10,774	9,603	4,885
	12 mos.	510,045	21,991	532,035	451,081	71,002	71,671	5,335	85,860	77,624	17,236	10,867	206,162	394,270	343,797	74.1	76.2	37,719	40,438	38,681	25,506	16,786

No deposit
No return

Empties are a problem—for soft drink companies and railroads, too. So when we were required to move empty steamship containers in Chicago back to New Orleans, we worked out a plan. A contractual agreement that worked for both us and the steamship line.

The empty containers, loaded with toiletries in Chicago, were given a Fastback ride to New Orleans.

It made good sense, good business, and good use of energy. And we think it should become national container policy.

Railroads have problems. But we keep working at them. Because we think that's the way to run a railroad.

Call our man Bud Logan in Chicago at (312) 565-1600 if you'd like us to fill you in.

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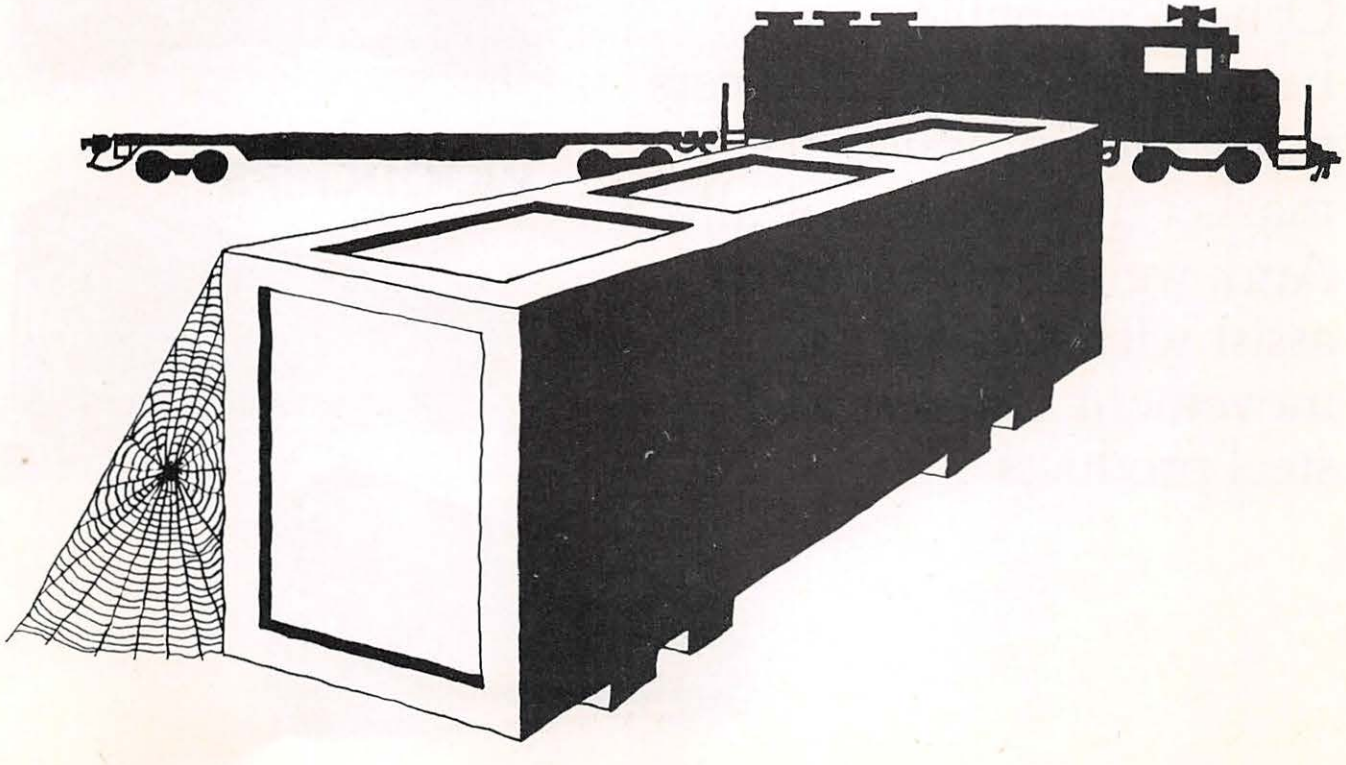
AN IC INDUSTRIES COMPANY
We've been working on the railroad



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We just built two, 128-foot, articulated cars which go a long way to protect automobiles against theft and vandalism. Several thousand, open top hopper cars will soon be moving coal out of the

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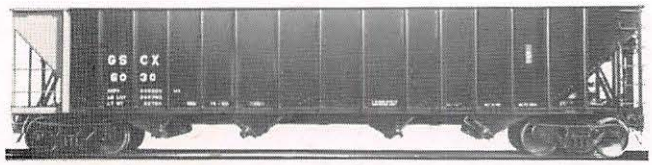

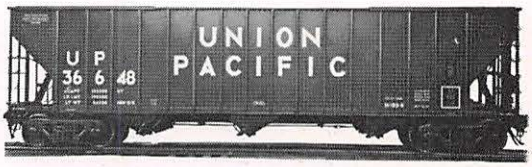

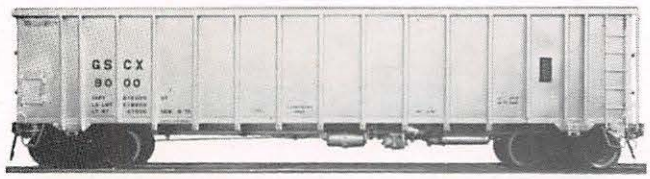

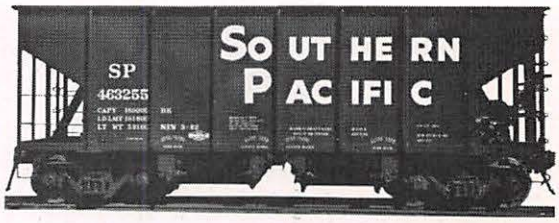

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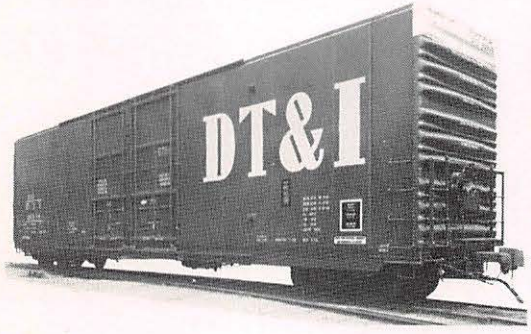
WOODCHIPS

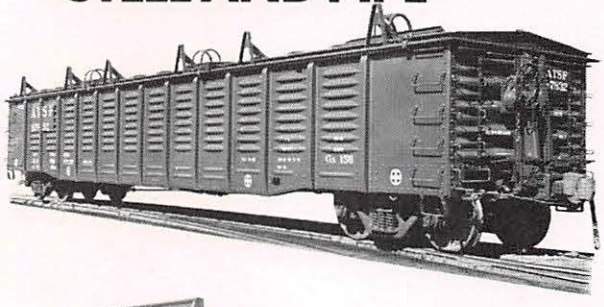
newest cars, come from Greenville

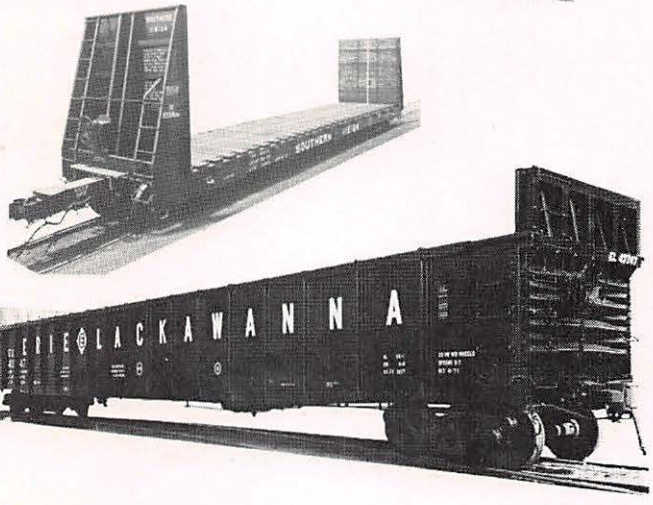
We move fast, build well and we're often a step ahead.

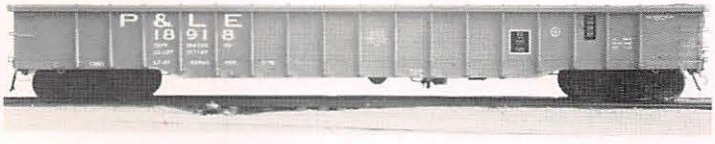


HIGH CUBAGE

STEEL AND PIPE







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GREENVILLE
STEEL CAR COMPANY
SUBSIDIARY OF PITTSBURGH FORGINGS COMPANY
GREENVILLE, PENNSYLVANIA 16125
PHONE: 412-588-7000

Fourth Quarter Figures of Calendar Year 1973

(Dollar figures are stated in thousands: i.e., with last three digits omitted)

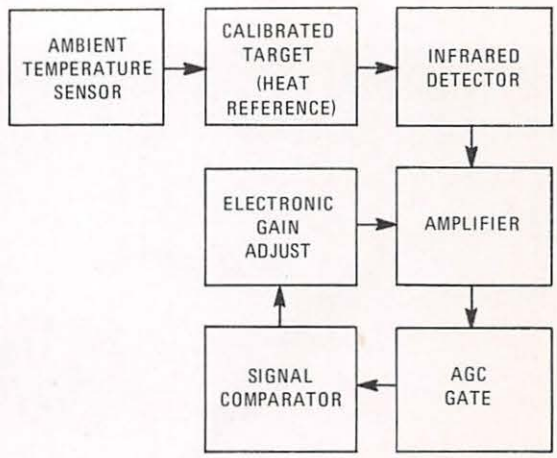
Name of Road		Operating Revenues				Operating Expenses										Operating ratio		Railway tax accruals	Net Railway operating income		Net income	
						Maint. of Roadway and Structures			Maint. of Equipment													
		Freight	Other	Total 1973	Total 1972	Total 1973	Total 1972	Deprec. and Retirements	Total 1973	Total 1972	Deprec. and Retirements	Traffic	Transportation	Total 1973	Total 1972	1973	1972		1973	1972	1973	1972
Monongahela	3 mos.	1,864	13	1,877	1,777	527	418	45	291	263	20	4	461	1,349	1,184	71.9	66.6	148	307	277	(35)	(296)
	12 mos.	7,386	82	7,468	8,379	1,826	1,953	78	1,028	1,152	80	14	1,867	4,951	5,205	66.3	62.1	522	1,451	1,920	(94)	(338)
Norfolk & Western	3 mos.	209,659	8,700	218,359	202,704	23,803	25,422	2,822	37,765	35,304	13,279	4,452	78,283	154,241	143,644	70.6	70.9	23,629	32,892	35,296	23,859	25,665
	12 mos.	808,753	33,592	842,345	795,010	98,709	93,143	15,547	150,399	141,338	53,003	17,473	302,689	610,874	565,836	72.5	71.2	80,159	120,843	130,275	85,959	32,150
Norfolk Southern	3 mos.	4,202	131	4,333	3,963	898	775	94	824	624	183	141	1,516	3,663	3,222	84.5	81.3	373	227	319	172	90
	12 mos.	15,755	430	16,186	15,363	3,391	3,044	339	2,827	2,415	721	572	5,932	14,004	12,778	86.5	83.2	1,304	128	567	(102)	19
Northwestern Pacific	3 mos.	3,280	21	3,302	3,484	916	778	85	278	437	2	20	1,040	2,362	2,387	71.6	68.5	315	87	406	159	439
	12 mos.	12,715	77	12,792	14,080	3,529	3,426	276	1,180	749	8	99	4,270	9,539	8,872	74.6	63.0	1,189	144	1,845	667	2,361
Oregon Electric	3 mos.	1,608	91	1,699	1,765	282	275	29	47	35	—	9	718	1,117	1,012	65.7	57.3	177	(20)	32	14	57
	12 mos.	6,384	361	6,746	6,911	917	946	116	181	172	—	34	3,022	4,344	4,142	64.4	59.9	705	91	98	280	406
Penn Central	3 mos.	448,289	71,021	519,311	476,642	65,589	58,444	8,038	87,263	75,995	15,334	5,146	242,112	426,134	390,924	82.1	82.0	41,512	(16,622)	(19,528)	(41,166)	(46,835)
	12 mos.	1,702,876	260,797	1,963,673	1,825,456	255,959	244,506	30,533	328,413	324,749	55,485	20,408	923,777	1,624,553	1,535,027	82.7	84.1	159,861	(92,664)	(105,238)	(172,550)	(222,829)
Penn-Reading Seashore Lines	3 mos.	2,082	403	2,485	2,315	727	710	99	305	320	28	16	1,715	2,901	3,217	116.7	138.9	267	(1,249)	(1,654)	(1,375)	(1,828)
	12 mos.	8,310	1,518	9,828	9,044	2,598	2,273	378	1,323	1,322	116	55	6,958	11,478	11,184	116.7	123.7	902	(4,783)	(5,065)	(5,378)	(5,690)
Pittsburgh & Lake Erie	3 mos.	10,155	1,073	11,228	9,412	1,210	1,124	170	3,884	3,370	1,622	203	4,443	10,511	9,189	93.6	97.6	2,881	3,109	3,405	2,745	2,985
	12 mos.	39,082	3,715	42,797	37,532	6,187	5,415	683	16,338	15,605	6,561	815	16,887	43,491	39,684	101.6	105.7	8,927	11,363	10,661	10,134	9,195
Reading	3 mos.	25,913	7,036	32,949	29,177	4,260	3,789	643	5,138	5,019	1,151	705	15,495	27,534	25,315	83.6	86.7	3,859	(1,542)	(1,090)	(2,225)	(2,933)
	12 mos.	100,841	24,972	125,813	111,150	17,907	17,072	2,551	22,428	21,733	4,701	2,878	58,664	109,734	102,756	87.2	92.4	13,042	(8,677)	(12,126)	(12,702)	(20,083)
Richmond, Fredericksburg & Potomac	3 mos.	6,541	552	7,093	6,568	538	852	144	922	1,044	281	129	1,903	3,931	4,117	55.4	62.7	1,510	1,788	1,069	2,234	1,143
	12 mos.	26,021	2,058	28,079	25,192	3,039	3,160	467	3,640	3,416	1,072	485	7,016	15,869	14,598	56.5	57.9	7,100	6,073	5,512	7,571	9,302
St. Louis-San Francisco	3 mos.	62,845	3,442	66,287	59,708	8,458	8,542	705	9,955	9,105	2,520	1,873	26,487	49,981	44,816	75.4	75.1	5,043	5,275	6,662	4,783	3,976
	12 mos.	242,925	12,044	254,969	229,693	36,782	34,661	3,026	38,293	36,058	10,104	7,656	102,512	197,727	176,175	77.5	76.7	19,862	17,859	22,589	1,454	14,340
St. Louis Southwestern	3 mos.	42,542	477	43,019	39,024	4,138	5,455	334	9,701	9,783	3,826	983	15,199	31,033	32,166	72.1	82.3	3,477	12,767	7,118	12,581	8,461
	12 mos.	161,527	1,878	163,405	152,272	18,186	19,344	1,211	37,296	35,799	14,292	3,877	59,968	123,258	116,608	75.4	76.6	13,767	38,424	30,180	38,997	31,827
Seaboard Coast Line	3 mos.	155,807	6,361	162,068	145,470	22,881	20,805	1,648	27,915	25,624	7,248	3,242	61,841	121,897	110,699	75.2	76.1	10,619	16,683	17,714	9,492	14,332
	12 mos.	590,939	23,465	614,404	563,136	86,994	82,499	6,392	112,496	100,218	27,463	12,809	235,899	472,001	420,662	76.8	74.7	44,688	39,543	49,801	33,378	50,606
Soo Line	3 mos.	44,238	1,104	45,342	38,582	7,022	6,855	344	5,378	4,963	1,082	1,007	14,715	30,121	27,436	66.4	71.1	6,655	4,691	4,558	4,117	3,022
	12 mos.	163,806	4,517	168,324	140,651	26,732	24,231	1,438	20,428	18,394	4,278	3,946	57,357	114,999	102,409	68.3	72.8	19,677	19,883	13,808	17,620	10,264
Southern Railway	3 mos.	194,404	8,572	202,976	184,493	35,598	31,192	4,529	35,111	33,081	11,796	4,297	62,450	147,383	133,629	72.6	72.4	17,986	32,106	30,604	23,508	20,672
	12 mos.	747,954	30,790	778,745	723,798	131,018	119,681	16,069	134,552	127,673	45,656	15,256	240,665	558,077	509,135	71.7	70.3	67,655	124,285	120,938	96,528	85,335
Southern Pacific	3 mos.	307,781	9,203	316,984	291,157	36,530	37,956	3,139	51,259	52,904	15,271	4,873	120,551	230,059	220,754	72.6	75.8	31,069	32,407	28,737	37,782	31,546
	12 mos.	1,159,993	32,921	1,192,914	1,119,930	146,749	150,704	22,253	215,533	208,502	61,605	18,882	471,081	921,627	861,560	77.3	76.9	107,411	77,804	93,119	81,758	93,080
Texas & Pacific	3 mos.	32,503	1,204	33,707	29,074	4,988	4,143	1,259	6,144	5,082	1,457	1,076	15,335	28,755	23,074	85.3	79.4	2,527	1,810	3,987	2,588	2,697
	12 mos.	124,624	4,061	128,685	108,433	18,850	16,525	2,299	23,122	20,414	5,856	4,138	54,730	105,527	87,821	82.0	81.0	9,555	10,961	11,894	11,267	7,485
Texas Mexican	3 mos.	1,947	316	2,263	1,595	408	297	17	215	124	45	94	659	1,536	1,311	67.9	82.2	341	111	(26)	(128)	(38)
	12 mos.	7,084	926	8,010	6,209	1,530	1,328	67	743	574	176	342	2,415	5,618	4,816	70.1	77.6	1,119	292	(8)	577	141
Toledo, Peoria & Western	3 mos.	3,015	189	3,204	2,824	517	351	18	318	306	68	252	1,191	2,531	2,198	79.0	77.8	267	15	124	2	131
	12 mos.	11,989	632	12,621	11,433	1,869	1,520	75	1,178	1,144	271	975	4,499	9,495	8,622	75.2	75.4	1,134	529	619	490	610
Union Pacific	3 mos.	227,642	8,524	236,166	204,343	31,493	26,122	3,017	40,833	36,484	14,603	5,199	80,111	171,169	149,897	72.5	73.4	21,741	46,615	36,823	38,129	42,863
	12 mos.	843,034	27,889	870,923	769,623	113,492	97,962	9,951	155,834	144,527	57,746	19,882	307,090	644,927	567,162	74.1	73.7	86,924	151,342	132,085	124,459	122,941
Western Maryland	3 mos.	13,533	761	14,294	12,601	1,544	1,490	205	2,541	2,537	796	425	5,263	10,789	10,136	75.5	80.4	1,786	2,139	2,120	1,290	(247)
	12 mos.	50,811	3,556	54,367	48,880	6,495	6,978	813	10,304	10,733	3,416	1,705	21,215	43,277	42,033	79.6	86.0	5,279	6,795	4,759	3,342	(630)
Western Pacific	3 mos.	22,228	409	22,637	23,302	3,279	3,277	326	3,540	3,703	827	1,033	9,279	18,857	18,895	83.3	81.1	1,616	1,472	1,676	1,788	1,204
	12 mos.	88,117	1,461	89,578	88,035	13,267	12,846	1,379	14,103	14,986	3,338	3,841	36,136	74,474	72,377	83.1	82.2	6,750	5,244	5,678	5,629	3,898

THIS HOTBOX DETECTOR NEVER RESTS

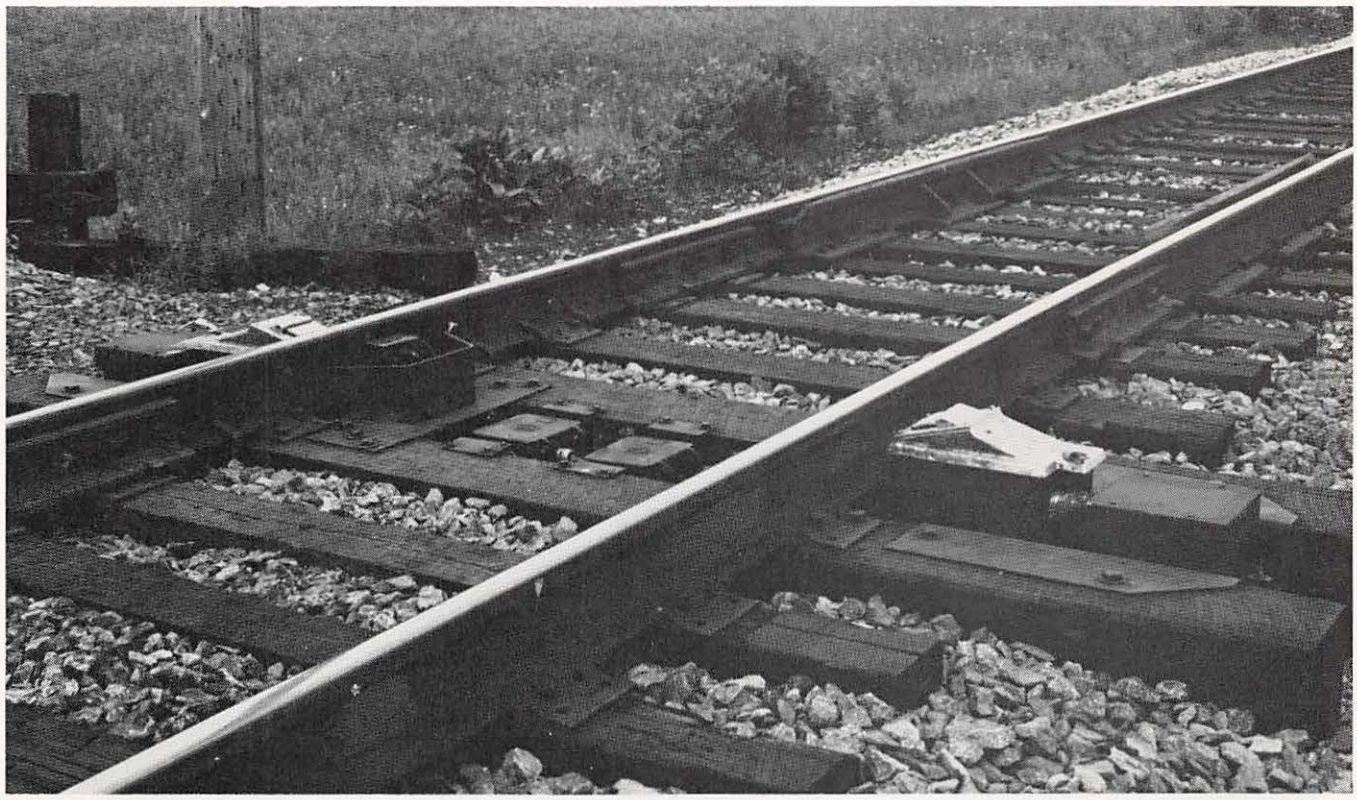
The Wheel Thermo-Scanner Unit keeps busy, even while waiting for another train to inspect.

Whenever the Wheel Thermo-Scanner Unit is not checking a train, it's checking itself — looking at its own internal reference target once every minute. If it doesn't respond properly, it adjusts itself.

Result — whenever a train arrives, the GRS WTSU is precisely adjusted to do the best possible job of inspecting each wheel for a potential hot journal . . . one of several WTSU low maintenance features.



CALIBRATION LOOP



For more information, ask for GRS Catalog 92-4.

GENERAL RAILWAY SIGNAL COMPANY

A UNIT OF GENERAL SIGNAL CORPORATION

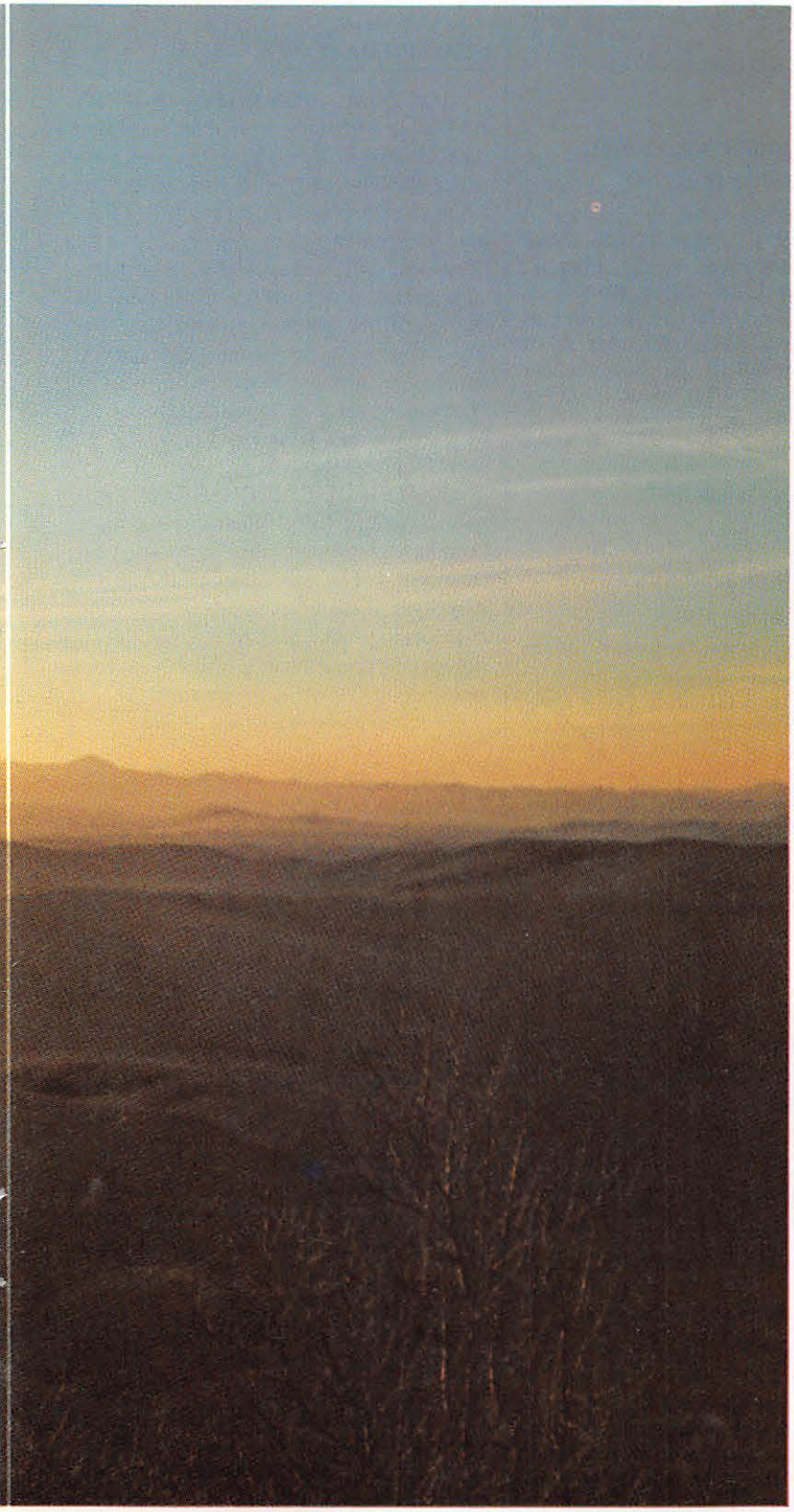
ROCHESTER NEW YORK 14602

ATLANTA BOSTON CHICAGO MONTREAL NEW YORK OAKLAND ST LOUIS ST PAUL 3540

Circle 15 on Reader Service Card

How we keep 75,000
So you'll know when

freight cars in touch. to expect them.



This tower on Tryon Mountain near Asheville, N.C. is one of 243 microwave relay stations in Southern Railway's extensive communications network.

Southern Railway has a communications network any company would be proud of. In fact, it's the second largest industrial microwave system in the country.

This may seem like Southern is trying to become a communications company. But actually it's just one of the many things Southern uses to help serve its shipping customers.

And this communications system does a lot more than carry telephone calls. It also helps us locate any of those 75,000 freight cars in a matter of seconds. And yards can get advance notice of the cars that will be arriving on any freight train. So they can be classified and sent on their way as quickly as possible.

We do all this because better communications means better service. For you.

Communications. It's one more innovation that puts us on the right wavelength in transportation. And it just happens to be one more way we help *squeeze the waste out of distribution.*

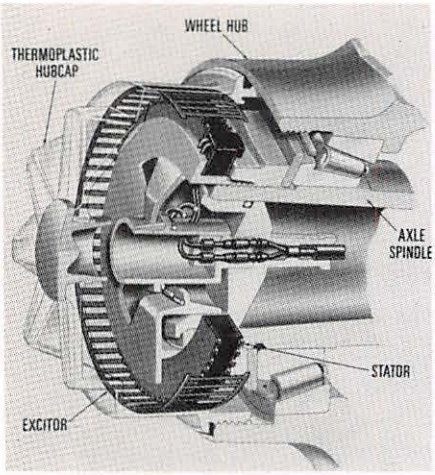
Southern Railway System, Washington, D. C.

SOUTHERN

THE RAILWAY SYSTEM THAT GIVES A GREEN LIGHT TO INNOVATIONS

ntw NATIONAL TRANSPORTATION WEEK May 12-18, 1974

New Products Report



Brake system provides positive, stable stops

A positive brake system from Fruehauf Corp.'s Fruehauf Division is an effective anti-skid control/secondary and parking brake system giving trailer operators positive and stable stops. The system surpasses the Department of Transportation's FMVSS 121 requirements. It is designed to reduce brake hop, tire flatting and wear while providing maximum brake efficiency. The system is engineered so that each component is strategically placed within the suspension cavity and thoroughly surrounded by the steel members of the trailer's lower frame. This gives maximum protection against damage and easy accessibility if service is ever required.

The anti-skid control is a fast-acting network of electrical and air lines combined with three major components: an "in-axle" wheel sensor, a computer and modulator valve. These components effectively monitor and control wheel braking activity to prevent uncontrolled trailer wheel lock-up and skidding. The sensor (see photo) is composed of a stator, a toothed wheel mechanism inside the hollow of the firm's Pro-Par axle, and an excitor, a perforated metal band in the hub cap area. The sensor is well protected from flying stones or any other road hazards because it is encased by an unbreakable thermoplastic hub cap and the wheel hub, both of which are well within the outer limits of the tires.

Circle 60 on reader service card

Electric lift truck has capacity of 10,000 lb

A new large-capacity electric lift truck has been added to Hyster Co.'s electric line. Designed for heavy machinery manufacturing and similar operations, the truck (E100A) features lifting capacity of 10,000 lb at 24-in. load center. A choice of 36- or 48-volt batteries is offered. A full line of attachments, ranging from side shift carriages to a variety of clamps is available for the E100A.

Circle 61 on reader service card

Container handler works fast, efficiently and at low cost

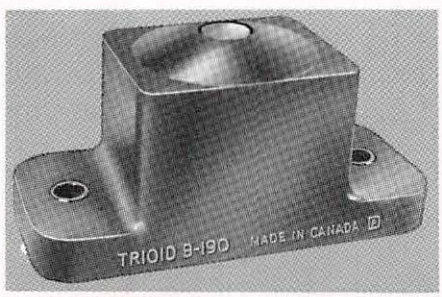
Loader SL3020 offers the container-handling industry a fast, efficient and low-cost method for rapidly loading, transporting and unloading containers measuring up to 40 ft and weighing as much as 30 tons. This Sideloader, from Marmon Transmotive, is suitable for moving 20-ft or 40-ft containers or palletized loads between docks, rail sites, air terminals or industrial locations.

Circle 62 on reader service card

Plywood linings available in carsets or open stock

"Plyline" plywood box car linings are available in complete carsets or in open stock from Unity Railway Supply Co. for use as needed in repairing cars. They are made of exterior grade Western plywood and electronically scarf-glued for greater reliability. End panels, 1¼-inch thick, are also available. Panel edges can be ordered square, ship-lapped, or tongue-and-grooved.

Circle 63 on reader service card



Truck side bearing reduces noise in cabooses

The Model 190 Trioid constant contact side bearing, designed by Vanguard Corp. specifically for cabooses, is capable of substantially reducing interior sound levels. The ride is improved by reducing the vertical forces and by providing protection from excessive occupational noise exposure. Made of Uniroyal urethane, the Trioid resists wear and requires only minor adjustments. Field tests show that it can reduce damage and excessive wear within the car truck.

Circle 64 on reader service card

NEW LITERATURE

CUSTOM COVERED HOPPER CARS. A brochure from Pullman-Standard describes its custom covered hopper cars. The brochure lists sizes, options and construction features. Cars and their construction are illustrated by drawings and photographs. Major feature of the brochure is a giant fold-out nomenclature drawing identifying the major parts of covered hopper cars in several common configurations. The drawing is available separately.

Circle 70 on reader service card

CENTER-OF-CAR CUSHIONING. A new brochure fully illustrates Pullman-Standard's Hydroframe center-of-car cushioning. The operation of the unit is described, including schematic drawings. Also, each major part of the cushion is shown photographically and keyed to a cross-section drawing of the unit.

Circle 71 on reader service card

LIFT TRUCK ATTACHMENTS. Colorful specification brochures and a hydraulic attachment catalog are available on Hyster Co.'s new line of lift truck attachments.

Circle 72 on reader service card

PALLETS. An illustrated 4-page catalog from Menasha Corp. tells how to use Buckboard plastic-corrugated combination pallets with scored flanges as pallet bases for bulk shipping units.

Circle 73 on reader service card

CARGO CONTROL. Catalog 354, just released by Aeroquip Corp., presents the entire range of the company's growing line of cargo control products.

Circle 74 on reader service card

RAIL CAR SERVICE. A 4-page pictorial folder describes the services offered by Buncher Rail Car Service Co. In addition to cleaning, sandblasting and painting railroad cars, Buncher is AAR-certified to perform repairs including welding on steel, aluminum and stainless steel tank and hopper cars.

Circle 75 on reader service card

More profits from open hoppers

Just one way Proform can help.

Proform has a way to help you make each hopper car more productive. More profitable. How? With heavy-duty Fiberglass-Reinforced Plastic (FRP) covers that convert open-top hopper cars into covered hoppers.

Proform covers let you take full advantage of market peaks all year round. Light-weight FRP covers are easy to install, easy to remove. So you can use your hopper cars continuously. For coal, grain or other seasonal lading. Whatever the market demands. Whatever's most profitable for you.

Proform can help you in other ways.

We're helping to solve many problems that cost the railroad industry extra time, money and effort.

Like corrosion. FRP covers are non-corrosive. Won't rust like steel. So they stand up to rugged railroad environments.

Payloads can be larger too. Because Proform covers are light-weight. About 50% lighter than steel covers. Which can mean more freight tonnage per car.

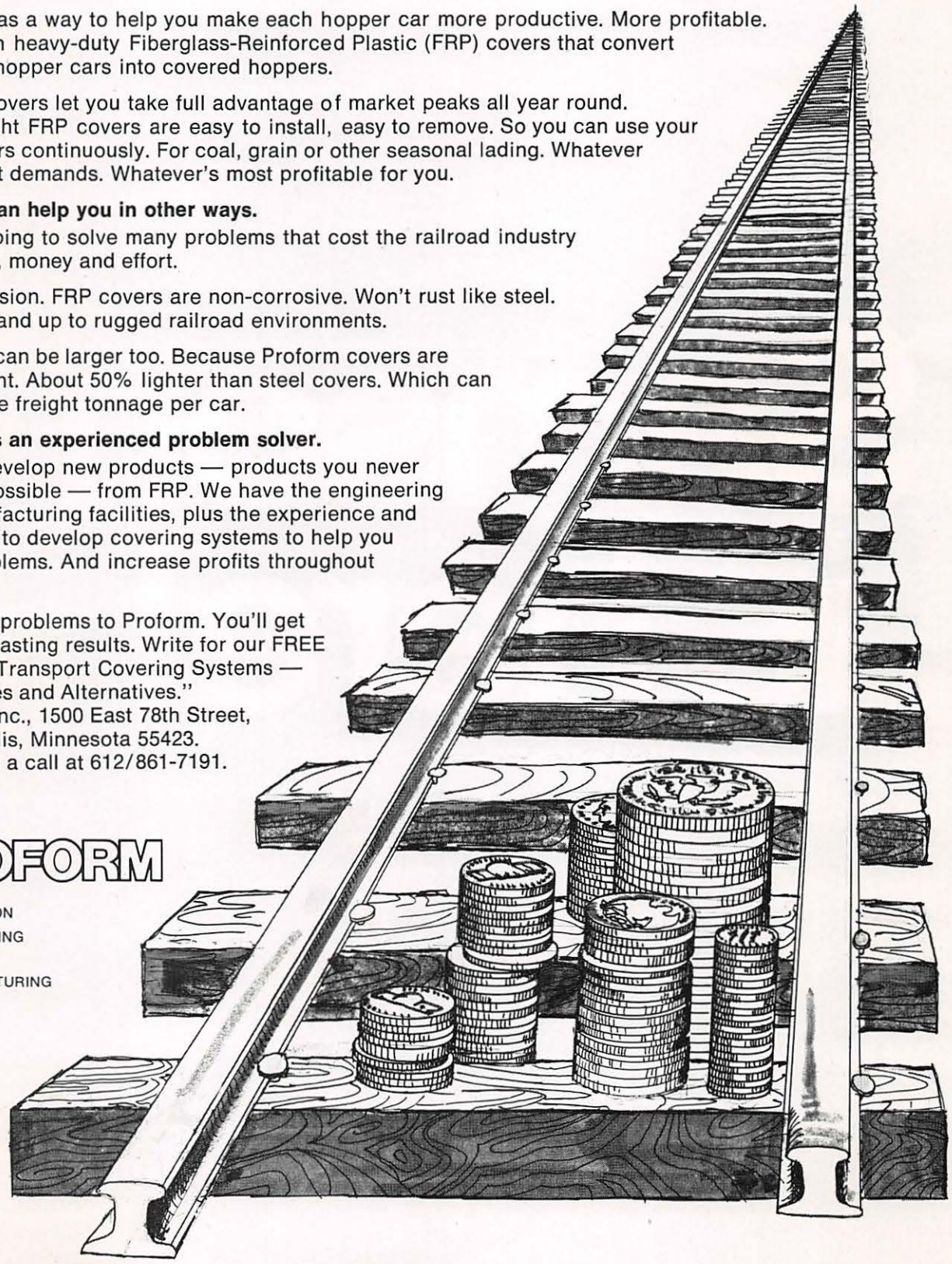
Proform is an experienced problem solver.

We can develop new products — products you never thought possible — from FRP. We have the engineering and manufacturing facilities, plus the experience and expertise, to develop covering systems to help you solve problems. And increase profits throughout the year.

Give your problems to Proform. You'll get effective, lasting results. Write for our FREE booklet, "Transport Covering Systems — Techniques and Alternatives."
Proform, Inc., 1500 East 78th Street,
Minneapolis, Minnesota 55423.
Or give us a call at 612/861-7191.

PROFORM

INNOVATION
ENGINEERING
DESIGN
MANUFACTURING



Circle 16 on Reader Service Card

Samson
is here!
Santa Fe
Ship and Travel
SANTA FE
B&O
El Capitan

More than 50% of today's metal shoe shipments are high phosphorus

Some 39 railroads have now standardized on high-phos for freight cars with metal shoes. There are approximately 7 million of them in service today. And the demand keeps growing! Abex alone is shipping 350,000 of these new shoes each month.

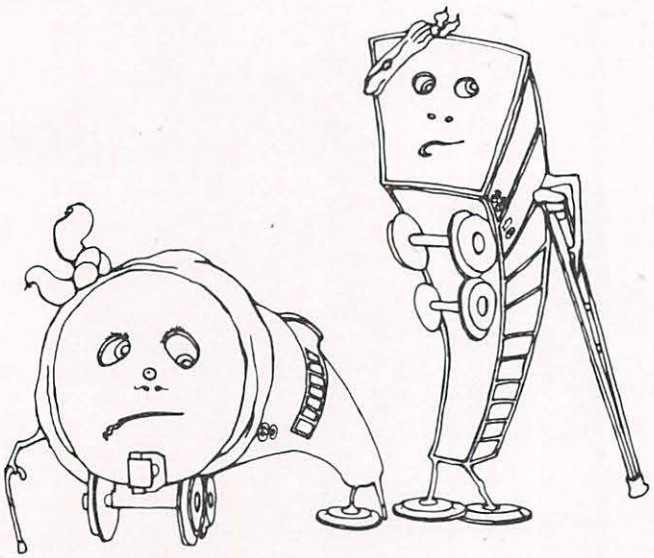
Samson Shoes are replacing old-style metal shoes because railroads have found them superior. First of all, Samson Shoes wear longer and this means slashing the cost of brake shoe change outs. They give improved train control, shorter stopping distances, and better wheel performance because high-phos and composition shoes, with compatible stop distance curves, will better share the braking load. And a third big advantage of Samson Shoes is minimized sparking.

No matter how you look at it, you're ahead with Samson performance. That is why so many railroads have now standardized on Samson. If you haven't tried them yet, do it now. Give them a real test and see for yourself. Call your Abex representative.

Abex
CORPORATION
Railroad Products Group
VALLEY ROAD, MAHWAH, N.J. 07430

Circle 17 on Reader Service Card

Rail Car Repair Service



"Keep 'em fit – keep 'em rolling"

When you get damaged hopper or tank cars back on the rails they're working for you again. So the faster the better.

Lithcote Company's AAR certified, one-stop repair shops are equipped to service railroad-owned and privately-owned cars for all types of inspections, mechanical repairs and linings. Shops are staffed by experienced mechanics, and to avoid delays a large inventory of replacement parts is maintained at all locations.

Your cars can be serviced from top to bottom, inside and out by Lithcote, quickly and economically.

If you want to get hopper or tank cars back on the rails fast, write or call Lithcote now. Or, ask for a copy of "One-Stop Rail Car Service."

Lithcote Company

A subsidiary of Trans Union Corporation
O'Hare Plaza, 5725 East River Road,
Chicago, Ill. 60631
(Phone 312/431-3045)

Circle 18 on Reader Service Card

LETTERS

Passing the L&D buck?

Philadelphia

To the Editor:

I am concerned that some of the drop in claims payout by carriers from .0197/dollar of revenue in 1970 to .0165/dollar of revenue in 1973 is being accomplished at the expense of the shipper. Managing a shipper claim department, I have, over the last few years, encountered increasing resistance by carriers to paying damage claims, to the point of being irresponsible. If the reduction in carrier payout is achieved by passing carrier damage back to the shipper, this is not true progress.

The reason for the improvement stated in your March 29 article [p. 17] would seem to justify my concern. They are in the order presented:

1. Improving destination inspection reporting.
2. Reorganization of the railroad's claim department.
3. Stepping up inspections.
4. Use of a radar device in the switch yard.

Number four is commendable inasmuch as overspeed impacts are still the single biggest cause of railroad damage. Unfortunately, from your March 29 issue it seems only a railroad out West and one in Maine are using these devices and attacking the heart of the problem.

B.J. Dunlevy
Shipping Services Manager, Scott Paper Co.

SEPTA Silverliner IV

Harrisburg, Pa.

To the Editor:

A couple of points in your article on SEPTA Silverliner IV cars (RA, March 11, p. 34) warrant clarification. The number of new commuter cars acquired by public agencies for lease to the two railroads in the Philadelphia area will total 231 when the 12 RDC's, which the City's PSIC acquired in 1962 for lease to the Reading, are included. Regarding the team involved in design of the new SEPTA cars, I think it would be fair to include this Department among the participants for we did play a significant role. When difficulties with the original specifications and bids arose, it became necessary for us to become an active part of the engineering group to resolve the impasse. We hired Coverdale & Colpitts, and through Jerry Spencer of that firm and Bill Underwood of this Department, the problems were resolved and delivery of the cars is finally under way.

William H. Polk
Executive Assistant and Chief Engineer
Local and Area Transportation, Dept. of Transportation
Commonwealth of Pennsylvania

Tarrytown, N.Y.

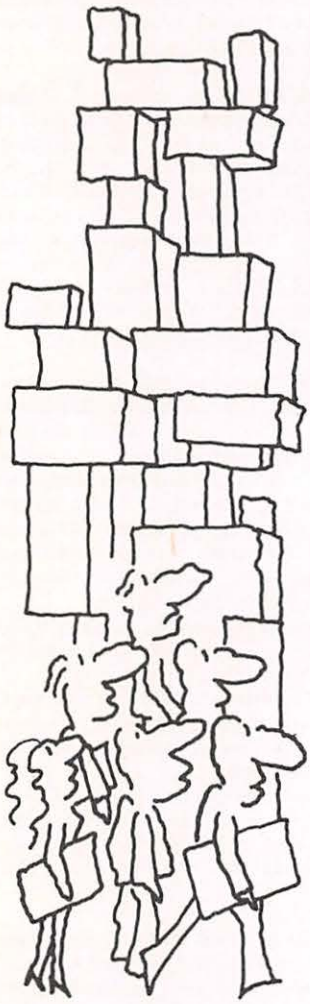
To the Editor:

The Southeastern Pennsylvania Transportation Authority retained me as a consultant under their SEPACT II contract with the Urban Mass Transportation Administration. I undertook a study to determine the state of the art as it then existed. My letter of transmittal of May 24, 1967, describes my role in this project: "The final report on Optimum Equipment design covers two broad areas of approach to the problem. The first is devoted to establishing the conceptual approach to the optimum commuter service multiple-unit electrically propelled passenger car. . . .The second treats the history of development of electrically self-propelled passenger equipment to the present state of the art."

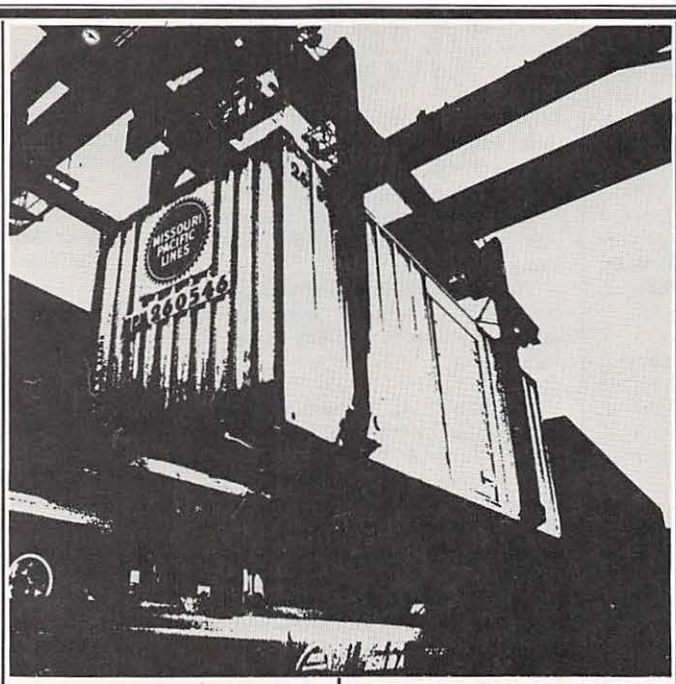
Seymour Kashin, President
Transportation Management Services

A Mo-Pac Guide: How to Succeed in Containerization.

You're in a tough business. Now more than ever, you need to move your goods with even more speed and efficiency. Mo-Pac knows that, and we're convinced that containerization is one sure way of getting what you need.



Mo-Pac understands containerization, and what it can deliver: cost savings, convenience and the flexibility to handle a myriad of commodities. As far back as 1928, we were pioneering and laying the groundwork for containerization. Since then, we've been building on it, investing our time, money and people to make it work. This is the result: Containerpak.



Containerpak.

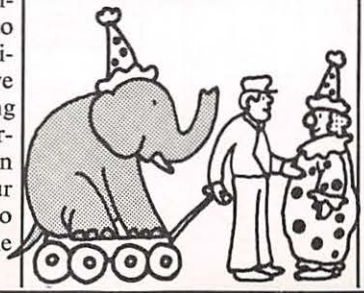
Mo-Pac's four plans for containerization. Success one way or another.

CONTAINERPAK I:

Flatcar from beginning to end. Your container is placed on a flatcar (at the yard, or shipside) and moves by rail to your customer's siding or team track. It remains on the flatcar during stuffing and stripping operations.

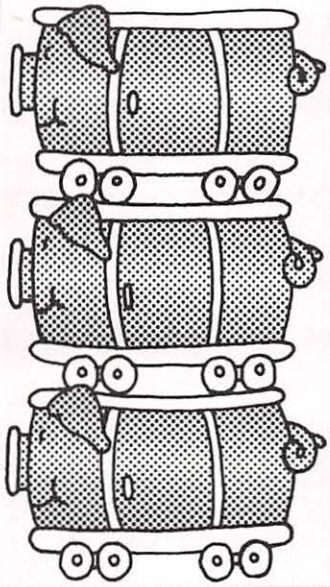
CONTAINERPAK II:

A chassis at each end. Your container arrives at the yard on wheels, where it's moved off the chassis and onto a flatcar. At its destination, it's put back onto wheels and delivered to your customer.



CONTAINERPAK III:

Wheels throughout. Piggyback. Your container rides on its chassis, and the chassis rides on us. All the way.

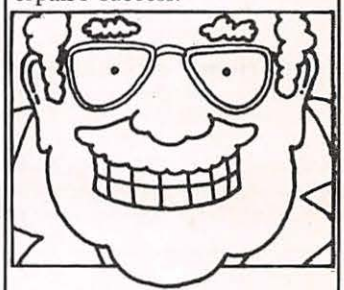


CONTAINERPAK X:

Off-the-menu. Suit yourself to any combination of I, II or III that will do the job. You know what you have and what you need. We'll provide it.

Nothing succeeds like it.

Your Mo-Pac salesman is an expert on the success of Containerpak. He's a professional at his job, going through continuous training programs that keep him on top of containerization and other developments in our industry. He can tell you about new routes, new methods of operation and new ways to save time and money. Listen to him. He'll explain other reasons behind Containerpak's success.



He'll tell you it's backed by numerous mini-bridge routes, 75 piggyback ramps and gantry cranes at key points thruout our 12-state, 12,000-mile territory. And that it's supported by Mo-Pac's 17 other shipper services, such as direct intermodal trains, stuffing and stripping, chassis leasing (when you need it), complete LTL/LCL service with split-delivery and reforwarding rates, hostling, container interchange agreements with other rails and motor and water carriers, and an international shipping expertise that includes service to 11 Gulf ports, three gateways to Mexico and Canada.

Containerpak. It has a lot going for it, and for you. Call your Mo-Pac representative. And call yourself successful.

mo-pac

Missouri Pacific Railroad
Texas & Pacific Railway
Chicago & Eastern Illinois R.R.
Missouri Pacific Truck Lines
Texas & Pacific Motor Transport

People in the News

CHESSIE SYSTEM.—**William F. Howes, Jr.,** general manager-casualty prevention, named assistant vice president, Casualty Prevention Department, Baltimore. **Herbert C. Forrester, Jr.,** general manager-pricing, appointed assistant vice president-merchandise pricing, Baltimore, succeeding **Raymond H. Holter,** retired.

DENVER & RIO GRANDE WESTERN.—**G.J. Sheridan** appointed manager-equipment planning and **B.A. Barnes, Jr.,** assistant manager-equipment planning, Denver. **R.S. Fisk** appointed district representative-sales, Denver, succeeding Mr. Barnes.

DETROIT & TOLEDO SHORE LINE.—**Robert P. Kissel, Sr.** appointed regional sales manager, Cincinnati, Ohio. **Donald G. Vane,** labor relations officer, appointed manager, labor relations and personnel, Detroit.

FLORIDA EAST COAST.—The following have retired: **A.J. Westbrook,** district sales manager, Miami; **J.C. Jones,** assistant director, intermodal services, St. Augustine; and **W.T. Keebler,** district sales manager, Fort Lauderdale.

GRAND TRUNK WESTERN.—**Dr. Richard G. Frost** has been appointed chief medical officer, Detroit, Mich.

LOUISVILLE & NASHVILLE.—**Wayne R. Lindahl,** director-salary administration, appointed assistant vice president-freight revenue accounting and systems procedures. **Kelly J. King,** assistant to vice president-accounting and taxation, named assistant vice president-auditing and economic planning. **Norman H. Stier,** assistant comptroller, appointed assistant vice president-general accounting, **Robert J. McIntyre,** assistant comptroller, named director of auditing.

J.W. Bosler, manager, car utilization bureau, appointed director, car distribution and utilization.

W.E. Anderson, assistant superintendent-yard offices and agency procedures, appointed project manager-procedures, at the new Strawberry Yard.

R.J. Boles, roadmaster, Danville, Ill., appointed supervisor-construction, Northern Region, Louisville.

Robert P. Ethridge, assistant to vice president, L&N, Louisville, appointed director, employee services, **Family Lines System,** Jacksonville.

MILWAUKEE.—**C. Richard Raveling** appointed assistant to vice president-labor relations. **Robert T. Baker** named manager-compensation and benefits, and **Rosemary O'Connor,** personnel officer-training. All are headquartered in Chicago.

Michael D. Sullivan appointed general attorney of the railroad and its holding company, **Chicago Milwaukee Corp.** Mr. Sullivan was formerly associated with **Jenner & Block,** Chicago.

William Cruickshank, general road foreman of engines, named system general road foreman of engines, Milwaukee, Wis. Named regional road foremen of engines are **Amedio J. Cini,** Savanna, Ill.; **Wayne R. Ferrier,** Tacoma, Wash.; **Homer L. Johnson,** St. Paul: **Gerald E. Stuckey,** Milwaukee.

MISSOURI PACIFIC.—**Donald L. Manion,** vice president-operation, elected to the newly created position of vice president-administration. **James W. Gessner,** general manager-transportation, succeeds Mr. Manion.

Leonard S. Weindel named assistant manager-rate training, and **Albert E. Zarlingo,** assistant general freight agent-TOFC, both with headquarters in St. Louis.

E. Earl Spencer, National Railroad Passenger Corp. operations officer, retired March 1 after more than 45 years' railroad service.

MISSOURI PACIFIC-TEXAS & PACIFIC.—**B.A. Schmitt** appointed general manager-National Railroad Passenger Corp. operations, St. Louis. **H.H. Olmsted** succeeds Mr. Schmitt as assistant general manager.

NORFOLK & WESTERN.—**William G. Blades,** director of transportation, system operations center, Roanoke, named superintendent, Cleveland Terminal. **Wilford C. Stevens, Jr.,** superintendent terminal operations, Cleveland, appointed superintendent, Muncie Division, Muncie, Ind., succeeding **Jon L. Manetta,** named superintendent, Fort Wayne Division. Mr. Manetta replaces **Robert J. Whitaker,** appointed director of transportation, system operations center.

PENN CENTRAL.—**Donald A. Swanson,** general manager, Central Region, Pittsburgh, named general manager, Eastern Region, Philadelphia, succeeding **Robert F. Lawson,** now general manager, Philadelphia Commuter Area. **Clifford W. Owens,** assistant general manager, Eastern Region, succeeds Mr. Swanson. **Joseph F. Spreng,** general superintendent-transportation, Metropolitan Region, New York, succeeds Mr. Owens.

R. Thomas Schoonmaker, assistant director-marketing, appointed director-automotive marketing, Philadelphia.

Robert E. Feeley, assistant to vice president-operations, appointed director-safety, Philadelphia, succeeding **Joseph A. Bonelli,** who has joined Amtrak.

E.T. Harley, general mechanical superintendent-equipment research and engineering planning, named general mechanical superintendent-engineering and research, Philadelphia.

PITTSBURGH & LAKE ERIE.—**John J. Dan,** assistant vice president-freight sales & service, Pittsburgh, appointed vice president-marketing and sales. **Thomas C. Netherton,** chief engineer, appointed general manager, with jurisdiction over the Transportation, Equipment and Engineering departments. **William M. McCracken,** engineer maintenance of way, appointed chief engineer.

READING.—**Vance W. Bigelow,** manager labor relations, Philadelphia, promoted to director labor relations. **Donald Kneedler,** assistant manager labor relations, promoted to manager labor relations.

ROCK ISLAND MOTOR TRANSIT CO.—**Leo L. Cole,** controller, promoted to vice president-controller, Des Moines. **Robert Riley,** formerly with **Midwest Emery Trucking Co.,**

This announcement appears as a matter of record only.

$24,266,667

Louisville and Nashville Railroad Company,

Guarantor—Sublessee

Intermodal Equipment Leasing Services, Inc.

(A Subsidiary of Intermodal Services, Inc.),

Lessee

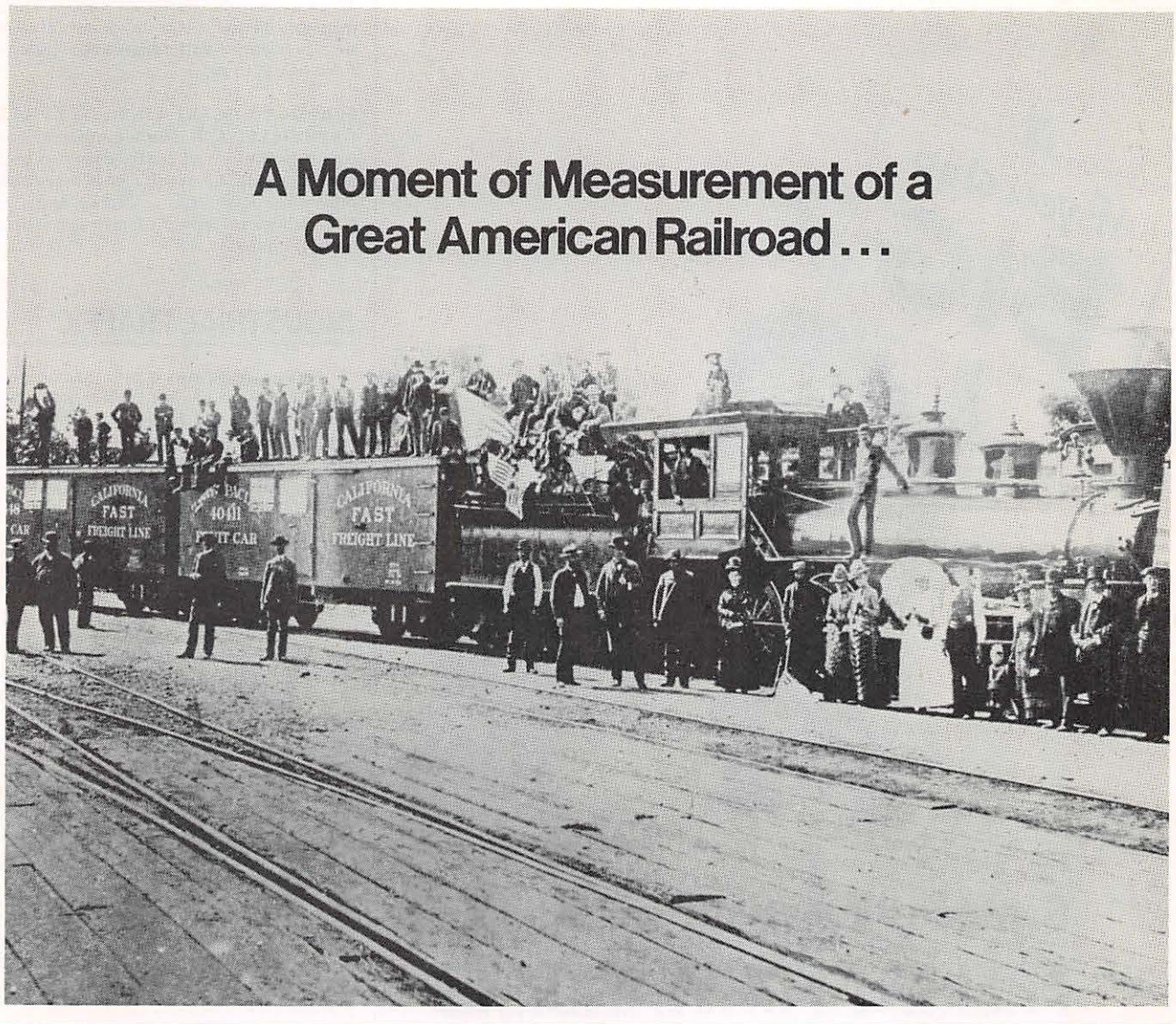
Commercial Credit Capital Corporation

Trustor—Owner

The undersigned has arranged commitments for the private placement of $18,200,000 of Eight Year Conditional Sale Indebtedness and $6,066,667 of Ownership Interest to finance 100% of the Cost of 3,500 Piggyback Trailers.

Kidder, Peabody & Co. INCORPORATED

April 2, 1974



FMC Salutes Southern Pacific

The date: June 24, 1886. The place: Sacramento, California. The Moment: The first fruit train to leave California for the market place of the East. As this train of 16 cars left California on S.P. tracks, so began a revolution in produce marketing. Thus, Southern Pacific helped create the development of the shipping of California produce to the rest of a growing nation and fresh produce exploded into a major industry.

FMC proudly salutes this historic moment in the life of Southern Pacific Railroad.

As in the past, when rail cars were modified and developed to serve the new needs of a growing nation, FMC's program of research and design continually seek's innovation and improvement that today's rail cars may better serve the world's ever expanding transportation demands.

Moments of Measurement . . .

that receive acclamation and recognition are rare high points in the career of a company or individual. In reality, Moments of Measurement are check point pauses to appraise activities, and thus must be frequent occurrences in the pursuit of improvement and excellence in any field of endeavor.

And so it is, that in its precise quality control, FMC utilizes Moments of Measurement to design, develop and produce the world's finest rail cars. FMC Marine and Rail Equipment Division, 4700 N.W. Front Avenue, Portland, Oregon 97208. Phone: (503) 228-9281, Telex: 36-0672. (formerly Gunderson, Inc.)

FMC Transportation Equipment

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Santa Fe works with domestic

FREIGHT FORWARDERS

to move your shipments by the ton or the pound

Domestic freight forwarders gather various size shipments into carloads or trailerloads for movement by railroads. The shipper saves money because of the economy made possible by the big move.

It takes all types of service to move freight for America's industries. Santa Fe works with domestic freight forwarders to take care of your transportation needs, whether you ship in big or small quantities.

☆ *Ideas to more efficiently move freight help you—and keep Santa Fe moving toward better ways!*

Santa Fe

SALES OFFICES COAST-TO-COAST, HONOLULU, MEXICO AND TOKYO

named assistant terminal manager, **RIMT,** Des Moines. **Chet A. Harkonen** named terminal manager, Mason City, Iowa. Mr. Harkonen was previously with **Winnebago Industries,** Forest City, Iowa.

SEABOARD COAST LINE-LOUISVILLE & NASHVILLE.—G.R. Wurtele appointed manager industrial development-engineering, Birmingham, Ala. **J.J. Walsh** named area manager industrial development, Montgomery, Ala. **C.T. Schneider** appointed manager distribulk service, Louisville, Ky.

INDUSTRIAL TRAFFIC

William A. Brown, traffic manager, Abex Corp., New York, has been named general traffic manager. **James F. Cemelli,** rate analyst, has been promoted to traffic manager, domestic. **Dominick F. Pensante** has transferred from the export department to become traffic manager, international.

Lon Beach and **Greg Gielow** have been appointed assistant vice presidents, **Cass Bank Shipper's Freight Plan,** St. Louis, Mo.

E. Kenneth Bowers has been appointed assistant to vice president, corporate transportation and distribution, **Combustion Engineering,** Stamford, Conn. Mr. Bowers was formerly traffic manager, **B.F. Goodrich General Products Co.,** Shelton, Conn.

Richard L. Kalsow, sales representative, **Hayes-Albion Corp.,** Jackson, Mich., has been appointed manager-corporate traffic & transportation, succeeding **Gerald Clever,** retired after 19 years with the company.

John J. McDermott, consultant for the Traffic Consulting Service, **General Electric Co.,** Schenectady, N.Y., appointed manager-administration, Traffic Consulting Service, Bridgeport, Conn.

John L. Alfano has been appointed vice president and general counsel and a member of the board of directors of **Ellig, Inc.,** Bellmore, N.Y.

The **Canadian Industrial Traffic League** has elected the following officers: Honorary president, **George Paul,** Toronto, Ont.; chairman of the board, **J.W. Darker,** W.R. Grace Canada Ltd., LaSalle, Que.; vice chairman of the board, **J.W. Cargill,** Maple Leaf Mills Ltd., Toronto; treasurer, **B.L. Broderick,** American Standard, Toronto.

Walter K. Cabot, general traffic manager, **Johnson & Johnson,** New Brunswick, N.J., has been appointed chairman of the recently-formed Transportation Committee of the **New Jersey State Chamber of Commerce.**

Edgar S. Cheaney has been named manager of transportation systems planning research at **Battelle's Columbus (Ohio) Laboratories.**

OBITUARY

Andrew A. Taylor, 86, retired general purchasing agent, **Missouri Pacific,** died Apr. 5 in St. Louis.

Great mileage. And they're not even compacts.

Our containers range in length from 24' to 40'. Hardly compact dimensions.

But when you ship your cargo to Hawaii in Matson containers, you're getting just about the best mileage on any road.

In fact, per westbound container, our *Hawaiian Enterprise, Hawaiian Progress, Hawaiian Queen* and *Hawaiian Monarch* consume an average of only 56% of the fuel used by older ships in the trade.

Energy crisis or not, ocean shipping is the bargain way to go. And even in the present crunch, Matson has managed to continue giving you great service.

Along with great mileage.

The Hawaii Freeway.

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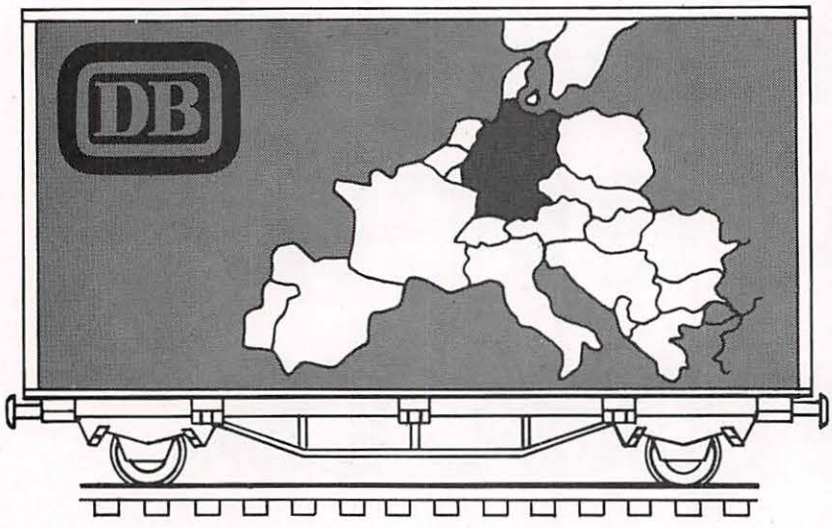
Shipping cargo to Germany
...and to the rest of Europe?



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GERMANRAIL-

dependable, economical, efficient rail freight, container, cargo, and door-to-door service.

PICK-UPS ANYWHERE! We'll pick up your cargo anywhere. At sidings in every seaport in Germany. And anywhere in Europe.

DELIVERIES EVERYWHERE! We'll deliver your cargo everywhere. To more than 10,000 industrial sidings, on more than 13,000 freight trains every day, with overnight service to all regions of Germany. And door-to-door service for your cargo, including all sizes of containers.

ANYTIME—AND ON TIME
...WHERE THE TRAINS
STILL RUN ON TIME

OUR JOB IS TO HELP YOU—The freight forwarder, the traffic manager, every shipper at every company, airline and steamship line.

CONTACT GERMANRAIL—For information on rates, schedules, door-to-door service—any shipping problem you may have, any details you may require about freight and cargo transport in Germany and the rest of Europe. Just one phone call—if we can't give you your answer immediately, we'll Telex our overseas offices and get right back to you.

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Bankrupts and car supply

(Continued from page 26)

Since the commodity is apparently, at best, only marginally profitable, aggregate shippers were told that railroads "cannot afford to pay today's prices for railroad equipment—and then have it sit idle a substantial part of the time." H.H. Hall, vice president-transportation, Southern Railway, called for better understanding between railroads and their customers to speed the loading and unloading of commodities such as aggregates. "We could buy 15% fewer freight cars if we could utilize them better," explained Hall. "There would be a substantial saving of money. The whole economy would improve." A Chessie spokesman stressed the benefit to railroads and their customers from better utilization of all types of rail equipment. Among the other suggestions were reduced turnaround time for equipment, the importance of keeping industrial sidings in good condition so trains can traverse them at acceptable speeds, and the need for shippers to clean the cars they receive so that railroads will not have to divert them subsequently for cleaning. Another speaker emphasized the importance of careful loading and unloading.

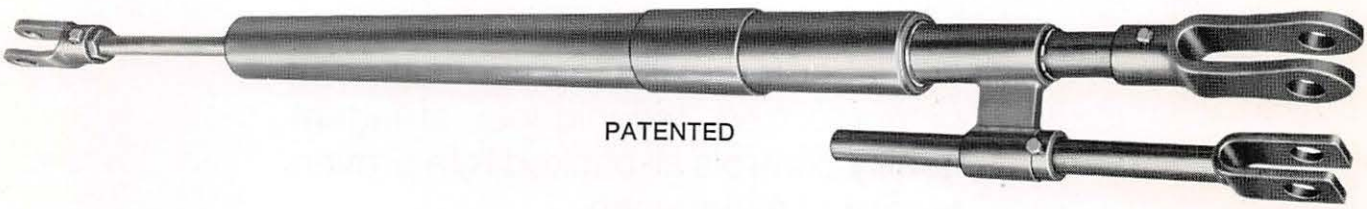
Installation of a greatly expanded National Car Information System, Train II, is progression toward completion early in 1975. The larger, faster computer was delivered to AAR this month. Train II is to further improve car utilization and improve car service. The new system will provide significantly more information which will be updated hourly instead of daily as TRAIN does now.

But, as AAR President Stephen Ailes recently told a railroad group in western New York, the railroad outlook will continue dark if the industry does not stop consuming assets it cannot afford to replace. Depleted assets have to be replaced at today's prices, explained Ailes. "The purchase price of a new freight car is about three times higher than the 20-year-old car it replaces. After reducing the added costs of a 1973 freight car by the gains in productivity obtained today from bigger cars and better utilization, the car still costs about 60% more to do the same work. Most cars are financed and here, too, interest costs have skyrocketed. The 1953 car was financed at about 3.3%. Even the strongest railroads have been paying 8% recently."

He added that even with traffic gains, the railroad industry would barely be able to cover its fixed changes in ten more years if rate increases do no more than match future inflation. ■

6 ways

UNIVERSAL 1900-DJ SLACK ADJUSTER WORKS FOR YOU...



PATENTED

1. Adjusts slack or clearance between brake shoes and wheels on all types of cars. As shoes wear, the adjuster automatically shortens. As new shoes are applied, the adjuster automatically lengthens.
2. Maintains proper piston travel at all times, automatically adjusting the brakes to operate within the most acceptable piston travel range. No manual adjustments are necessary.
3. Withstands stresses encountered by freight cars under all conditions of service.
4. Its performance is service-proven. The finest materials, engineering know-how and workmanship, coupled with its unique cone clutch mechanism, have made the 1900-DJ Universal slack adjuster a reliable performer.
5. Offers economy and long life. In a foundation brake rigging properly applied to a car, the 1900-DJ will operate for many years with a minimum of attention.
6. Completely interchangeable, A.A.R. Approved, Certificate No. 8A.

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What's a company like Marine Industries Limited doing in the railroad business!

Building all types of railway freight cars to suit any requirement, with the best skilled technicians, engineers and labor force, the latest equipment, computerized techniques, stringent quality controls all backed by a proven record of experience.

If you'd like to find out more about us, drop us a line.

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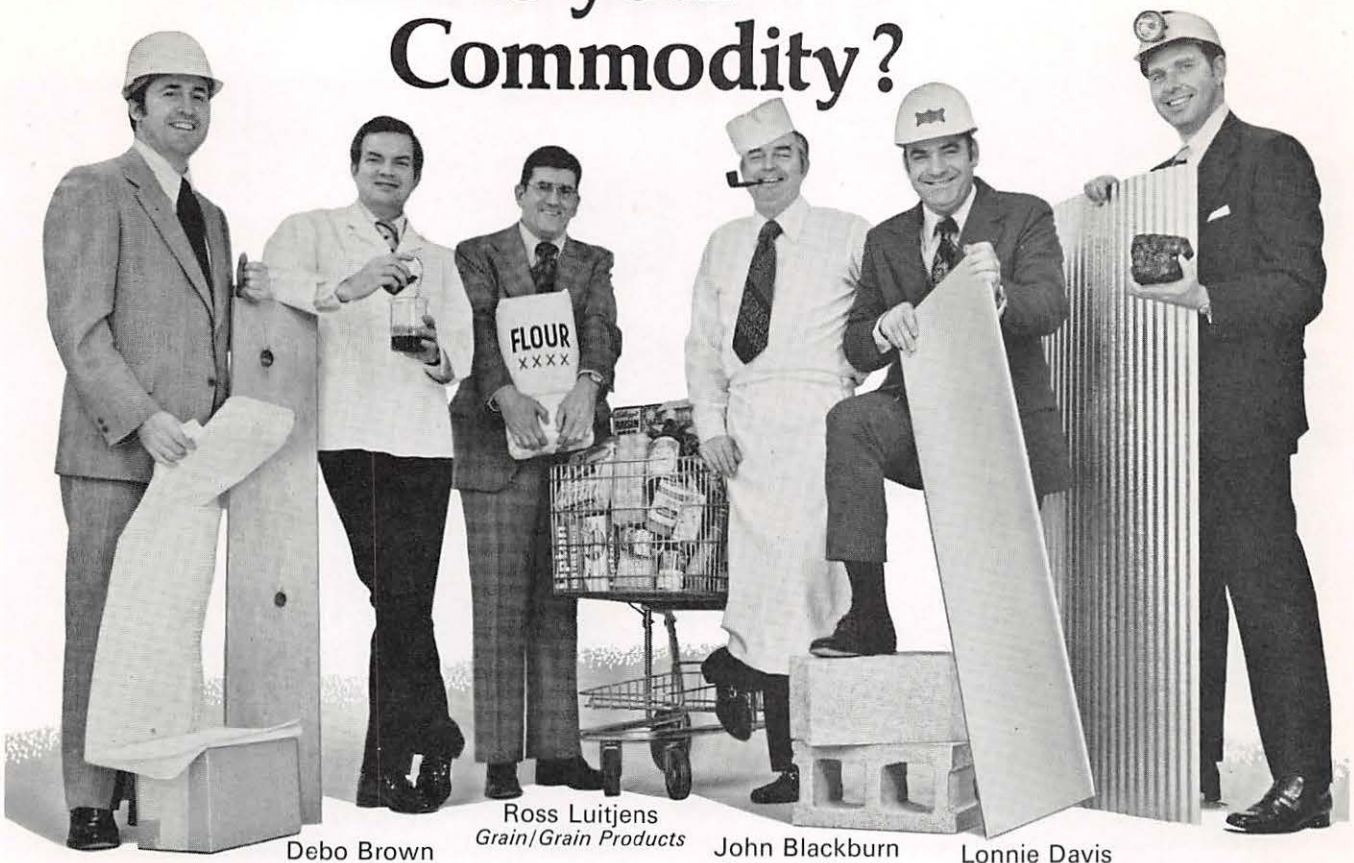
What's your Commodity?



Jim Farren
Forest Products

Debo Brown
Chemicals/Petrochemicals

Ross Luitjens
Grain/Grain Products

John Blackburn
Processed Foods

Lonnie Davis
Construction Materials

Jim Hirlinger
Metals/Mining

Frisco has an expert who knows how to handle it.

When we say expert, we mean a commodity marketing specialist who's experienced in the operations, problems and peculiarities of your industry. He knows your products, markets, prices, trends, seasonal demands. And he ties that knowledge in with his knowledge of rail transport—cars, service, rates, schedules. The result: more efficient movement from origin to destination.

What's your commodity? We have a man who talks your language. Dave Egertson, Frisco's Assistant Vice President/Market Development, will put you in touch with him. Just call 314/241-7800.

Ship IT on the . . . **FRISCO**

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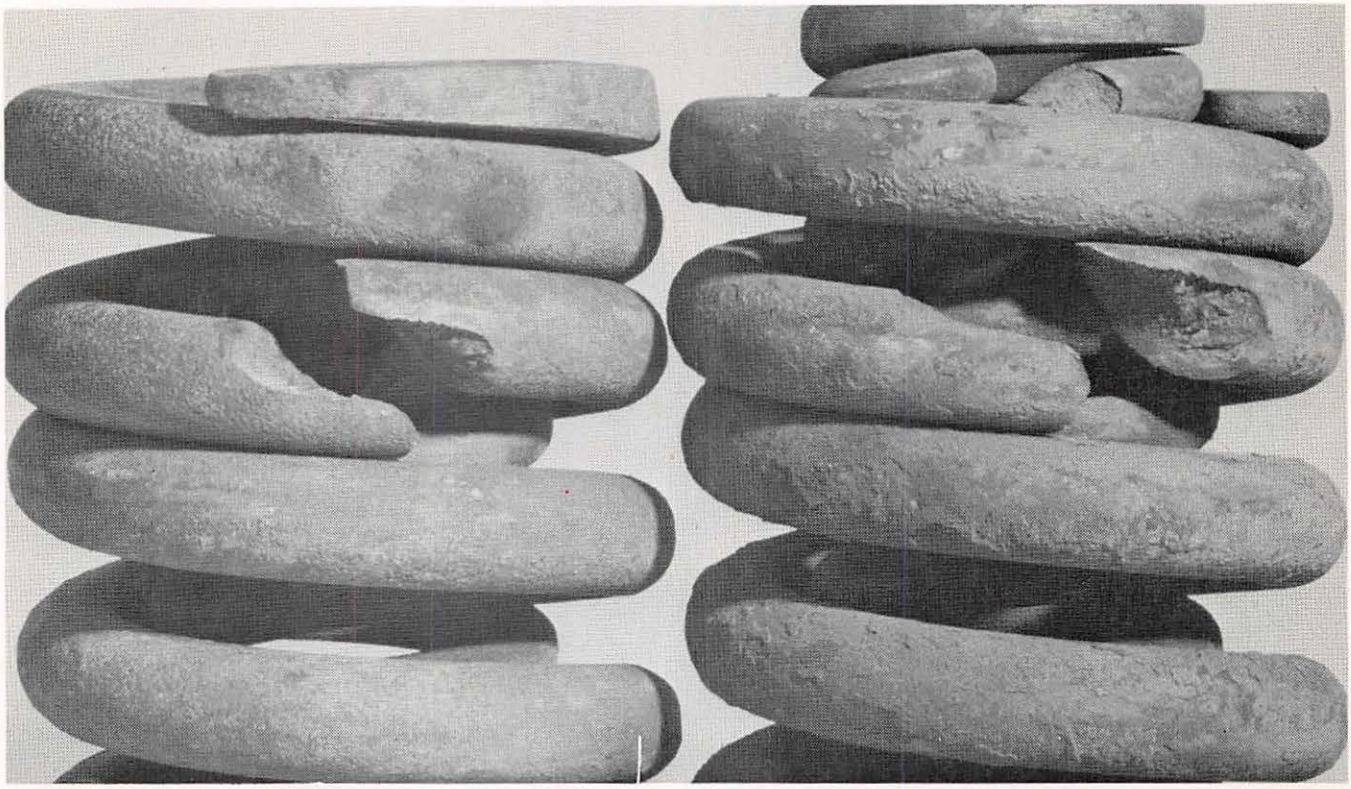
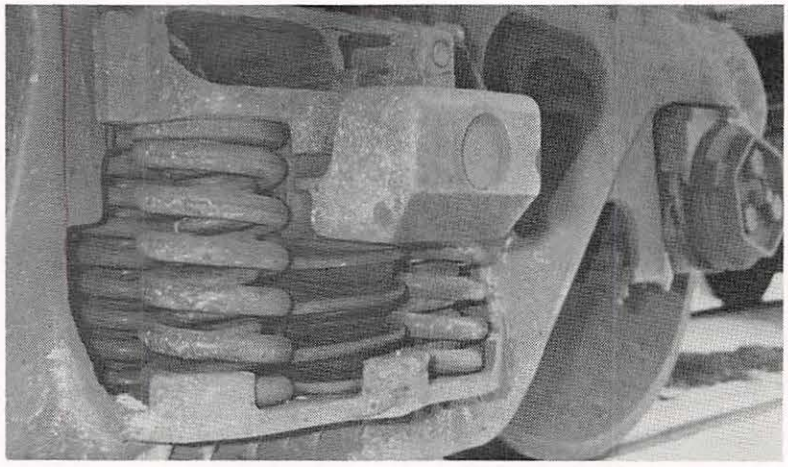
Stop this!



The Stucki HS-6 Hydraulic Stabilizer gives you unequalled protection against vertical shocks.



Here's why:

Damaged and broken springs, as bad as they are, are only one symptom of severe vertical shocks in a freight car. They are a warning that other damage is occurring.

The freight car spring is designed to act as a cushion. It absorbs or dissipates very little energy. Vertical forces often become so great—for example, when cars move at 50 mph over irregular track such as occurs on bridge abutments or crossings —that springs bottom and eventually break. Center plates, bolsters and the car body itself also suffer damage.

The Stucki HS-6 Hydraulic Stabilizer dissipates large amounts of energy. In most cases, the HS-6 reduces these shocks to half or less . . . practically eliminates spring bottoming . . . protects related car components on partially or fully-loaded cars. *Only* the Stucki Hydraulic Stabilizer among rock and roll devices gives you this dependable protection. Write or call for further information.

A. Stucki Company

Oliver Building, Pittsburgh, Pa. 15222 (412) 281-1570

Circle 25 on Reader Service Card

Market Outlook

CARLOADINGS

Loadings of revenue freight in the week ended April 6 totaled 511,035 cars, according to the Association of American Railroads. This was a decrease of 23,547 cars, or 4.4%, compared with the previous week, and a decrease of 861 cars, or 0.2%, compared with the corresponding week last year. Ton-miles generated by carloadings in the week ended April 6 are estimated at 16.3 billion, an increase of 0.8% above the corresponding week of 1973.

REVENUE FREIGHT CARLOADINGS

Commodity	Apr. 6 week	Mar. 30 week
Grain	28,587	28,747
Farm products	8,764	10,121
Metallic ores	25,738	23,153
Coal	84,908	100,902
Crushed stone, gravel & sand	26,277	25,646
Nonmetallic minerals	16,029	15,707
Grain mill products	19,257	19,844
Food and kindred products	22,561	24,446
Primary forest products	24,731	25,154
Lumber & wood products (except furniture)	15,794	16,562
Pulp, paper & allied products	23,705	24,104
Chemicals & allied products	30,299	30,474
Petroleum products	8,410	8,577
Stone, clay & glass products	22,077	21,058
Coke	8,466	8,679
Metals & products	28,841	28,758
Motor vehicles & equipment	23,589	22,670
Waste & scrap materials	17,889	17,515
Forwarder & shipper assn. traffic	11,777	11,777
All other carloads	62,935	69,541
LCL traffic	401	328
Total cars loaded	**511,035**	**533,763**
Cumulative total, 14 weeks	1974	1973
	7,176,551	7,070,758
Estimated revenue ton-miles (billions) 14 weeks	227.7	219.8

PIGGYBACK LOADINGS

U.S. piggyback loadings for the week ended March 30 totaled 33,883 cars (8.9% above the corresponding week last year) and 59,499 trailers or containers (up 12.4% from 1973). Cumulative volume for the first 13 weeks of 1974 is 418,340 cars (up 13.3% from last year) and 725,696 trailers or containers (up 14.4% from 1973).

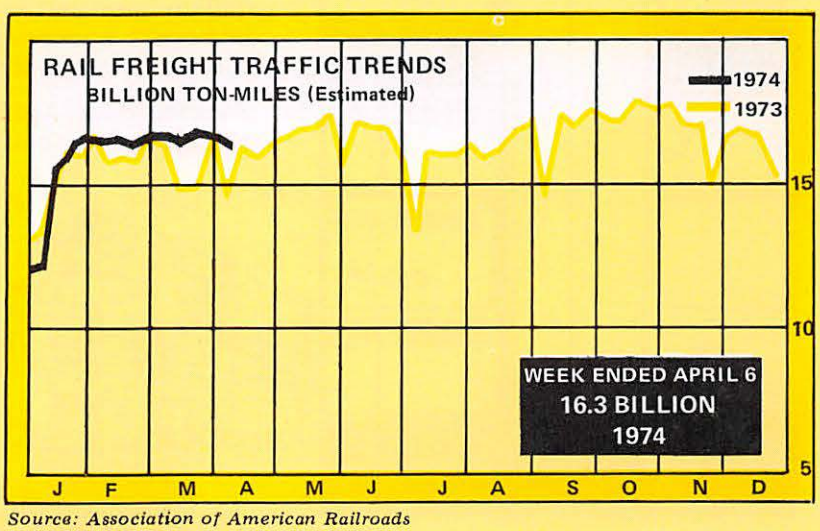
● *Burlington Northern.*—Ordered 2,975 freight cars and 50 cabooses at a cost of $61 million. Deliveries will be spaced from fourth-quarter 1974 through fourth-quarter 1975. Over-all, BN will acquire 850 100-ton open-top triple hopper cars and 400 100-ton gondolas from Pullman-Standard; 500 70-ton XL box cars, 500 Center Flow covered hopper cars and 25 26,000-gallon tank cars from ACF; 500 100-ton gondolas and 200 100-ton bulkhead flat cars from Thrall Car; and 50 steel cabooses from Pacific Car & Foundry.

● *Norfolk & Western.*—Will build 2,000 100-ton open-top hopper cars at Roanoke, Va., company shops at a cost of $35.6 million, with deliveries scheduled to begin in late 1974 and continue into August 1976. NW shops are now working on an order for 1,000 covered hopper cars, after which the shops will build 500 gondolas before starting on the open-top hopper cars. In addition, NW will purchase 300 100-ton coil-steel flat cars from U.S. Railway Equipment and 100 100-ton general-service flat cars from Southern Iron & Equipment at a total cost of $10 million, with deliveries to begin in January 1975.

● *Soo Line.*—Will order 11 3,000-hp diesel-electric locomotive units and 373 new freight cars for 1976 delivery, at a cost of about $13 million. Car orders will be for 200 100-ton covered hopper cars, 50 70-ton insulated box cars, 50 70-ton box cars equipped with plug doors and cushion underframe, 40 100-ton flat cars equipped with chain tie-down devices and 33 100-ton, 52-ft high-side gondolas.

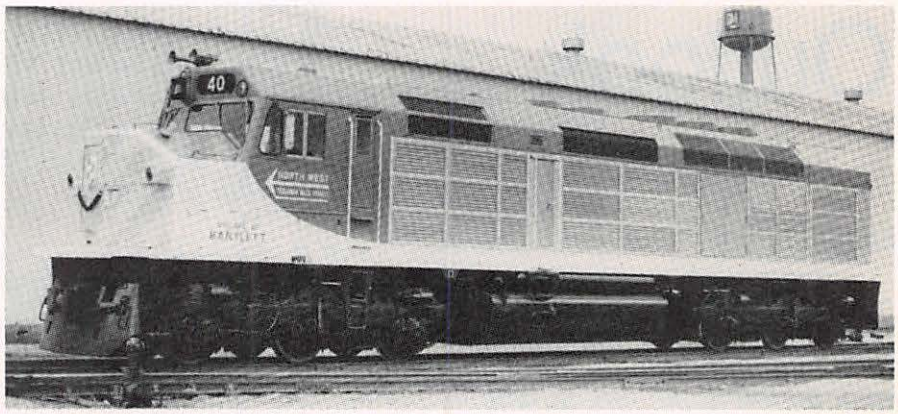
● *Southern Pacific.*—Will spend $25 million for rebuild of 3,500 freight cars this year, of which more than 2,800 will be wide-door box cars; cars will be turned out at a rate of 14 per day by company shops at Sacramento, Los Angeles and Houston. This compares with rebuild of 2,543 cars in 1973. In addition, SP will give complete overhaul to 83 diesel-electric locomotive units, mostly under-2,000-hp units, up from 62 units overhauled in 1973; and 168 cabooses will go through rehabilitation program, up from 40 units last year.

● *Trailer Train.*—Ordered 1,500 89-ft, 4-in. flat cars. All-purpose flat cars were ordered from Bethlehem Steel (125) and Pullman-Standard (175); P-S will build 1,200 hitch flat cars. TTX has ordered 3,725 new cars since Jan. 1.



Source: Association of American Railroads

Milwaukee first to get new EMD commuter locomotives



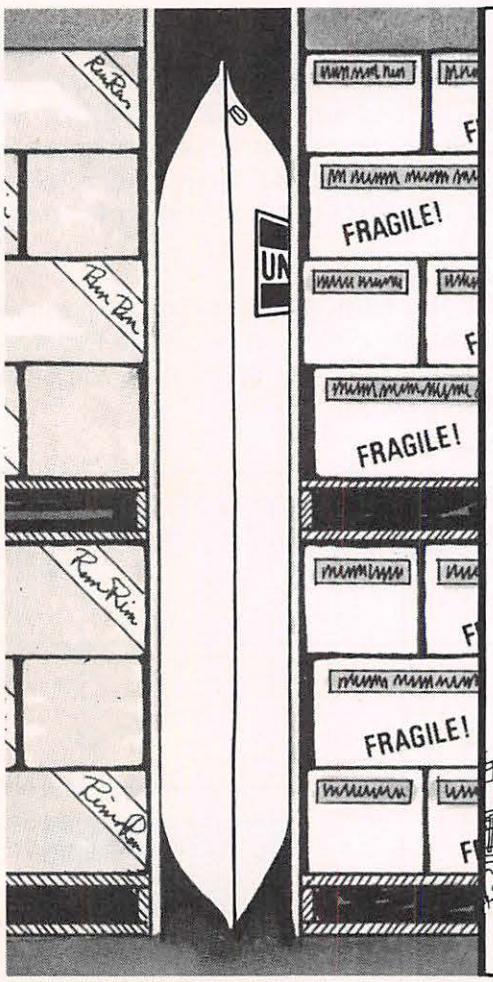
Milwaukee Road commuters in the Chicago area will be the first to ride behind (and ahead of) the newest locomotive designed specifically for commuter service—the F40C from General Motors' Electro-Motive Division. Fifteen of the units are being delivered for push-pull service, 13 to the Northwest Suburban Mass Transit District for operation over Milwaukee's West Line and two to the North Suburban Mass Transit District for use on the railroad's North Line.

The 3,200-hp F40C is a six-axle, six-motor unit with a turbo-charged 16-cylinder diesel engine modified to accommodate an engine-shaft-driven 500-kw auxiliary power system which provides a.c. power for train lighting, heating and air-conditioning.

Harold L. Smith, GM vice president and general manager of EMD, notes that customers for the F40C will have a choice of four gear ratios to provide a maximum-speed range "from 65 to 103 mph, to meet individual requirements of various metropolitan commuter systems. The new locomotive also incorporates latest advances in diesel-engine pollution-control improvements and offers, as a modification, special noise-reduction features embodying main propulsion engine exhaust silencer and cooling-fan modifications." Also available is additional carbody acoustical treatment for further reduction in noise emissions.

The first of the new units went into service April 6, hauling a special train from Chicago to Bartlett, Ill.—where NSMTD's offices are located—for its formal christening as the "Village of Bartlett," in ceremonies which included remarks by Milwaukee Road President Worthington L. Smith, Illinois Secretary of Transportation Langhorne M. Bond and Lois J. Geister, who is the chairman of the transit district.

Delivery of the first F40C marks the beginning of a major equipment-improvement program for the district. With a $31-million capital grant in hand, the organization is acquiring—in addition to the 13 locomotives—36 new bi-level commuter coaches, which are due for delivery next autumn from Budd. Parts of the grant will also be used for construction of new stations and platforms, lighting facilities, signal equipment and a new train yard, all of which Milwaukee will operate under lease from the district.



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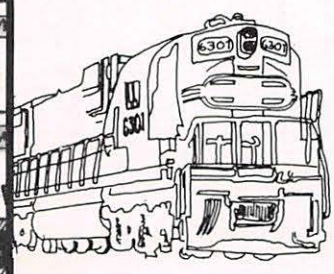

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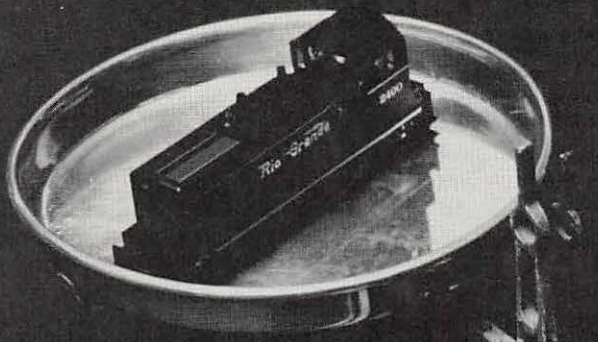

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CALENDAR

A national conference on the railroads' role in meeting the nation's energy requirements will be held May 6-8 in the Wisconsin Center on the University of Wisconsin campus.

Federal Railroad Administrator John W. Ingram will be the keynoter at the 65th annual meeting of the **American Railway Development Association.** The meeting is scheduled for May 5-8 at The Greenbrier, White Sulphur Springs, W. Va.

The eighth annual **International Security Conference** will be held May 19-22 in Chicago's Conrad Hilton Hotel. A featured seminar will deal with countermeasures used in protecting high-priority goods in transit against hijacking and the demands imposed by the energy crisis on traffic management.

Kickoff speaker for the St. Anselm's College **Transportation Seminar**—scheduled for the Manchester, N.H., campus May 15-16—will be Robert H. Binder, assistant secretary for policy, plans and international affairs of the U.S. Department of Transportation.

The 15th annual **Transportation and Distribution Forum** will be held at the University of Alabama, Tuscaloosa, May 8-9. Theme of this year's Forum will be "Changing Patterns in Transportation and Distribution."

The **Railroad Personnel Association** will hold its 1974 conference at The Greenbrier, White Sulphur Springs, W. Va., Sept. 25-27.

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Viewpoint

L&D work—what's the best approach?

Not so many years ago, a Railway Age reporter assigned to do a story on freight loss-and-damage prevention felt like the reporter who knew there were two editorial trips coming up. One to San Francisco and the other to Gary, Ind. And he got the one to Gary.

Now, that has changed. As Railway Age's special report on L&D prevention pointed out (RA, March 25, p. 17), this is no longer a losing battle. At worst, in times of increasing traffic and rising costs, it's a holding action. At best? At best, it's a positive thing—with railroads proving that L&D payout can in fact be brought under control and whittled down in those areas where concentrated effort is made.

Of course, the actions that have been taken are not enough. In problem-areas such as L&D prevention, *whatever* action you take is frequently "not enough." That's one reason why individual roads are stepping up efforts on specific commodities, individual L&D-payout causes. It's also one reason why L&D officers have researched and presented to the AAR board a comprehensive quality-control plan.

As in many things, there is always the possibility that the solution could be more costly than the problem and the "plan" has drawn some criticism, partly on grounds that you don't buy a Cadillac when a Chevvie will do. Still, payout runs $235 million or so a year (and, until L&D-prevention work started taking hold a couple of years ago, payout was showing no signs of stopping at $250 million, $300 million, or who-knows-what). Add to the direct cash-register cost the peripheral costs and the intangible ones, and you find that the industry is paying a lot more than just the $2.65-per-$100-of-revenue that comes through in the payout-to-revenue ratio.

PRODUCTIVE—AND FRUSTRATING

So, L&D-prevention work can be productive. It can also be frustrating—because it is so often so fragmented. Without even getting into the matter of loading and unloading practices and their relationship to L&D, consider the internal structure. Payout due to derailments is charged as L&D payout, but who's in charge of trying to prevent derailments? Payment due to theft is also charged, but who's in charge of trying to prevent theft? How about payout on damage to perishables due to delay or to mechanical failures? How about fire, marine catastrophes, other assorted acts of God?

What this all means, maybe, is that:

—Yes, there ought to be a broad, industry-wide program (with adequate funding) to attack the $235-million problem and at the same time work on service-quality improvement generally.

—Yes, there ought also to be added effort by individual roads, certainly in conjunction with major connecting lines and possibly with the kind of internal restructuring that makes total and over-all quality-control in railroading as important as it is today in many manufacturing industries.

It has been said that railroads will see bonanza times because they're so good with energy and the environment and so forth. But getting the traffic can be a far piece from keeping the traffic. Conditions may change—and/or, customers may decide to hang the cost and everything else and go with the outfit that provides the quality service.

If you're a Chicagoan, for instance, it's like shopping at Marshall Field. It's not the cheapest place in town. But it's got quality service. And it spends a fair amount to keep things that way.

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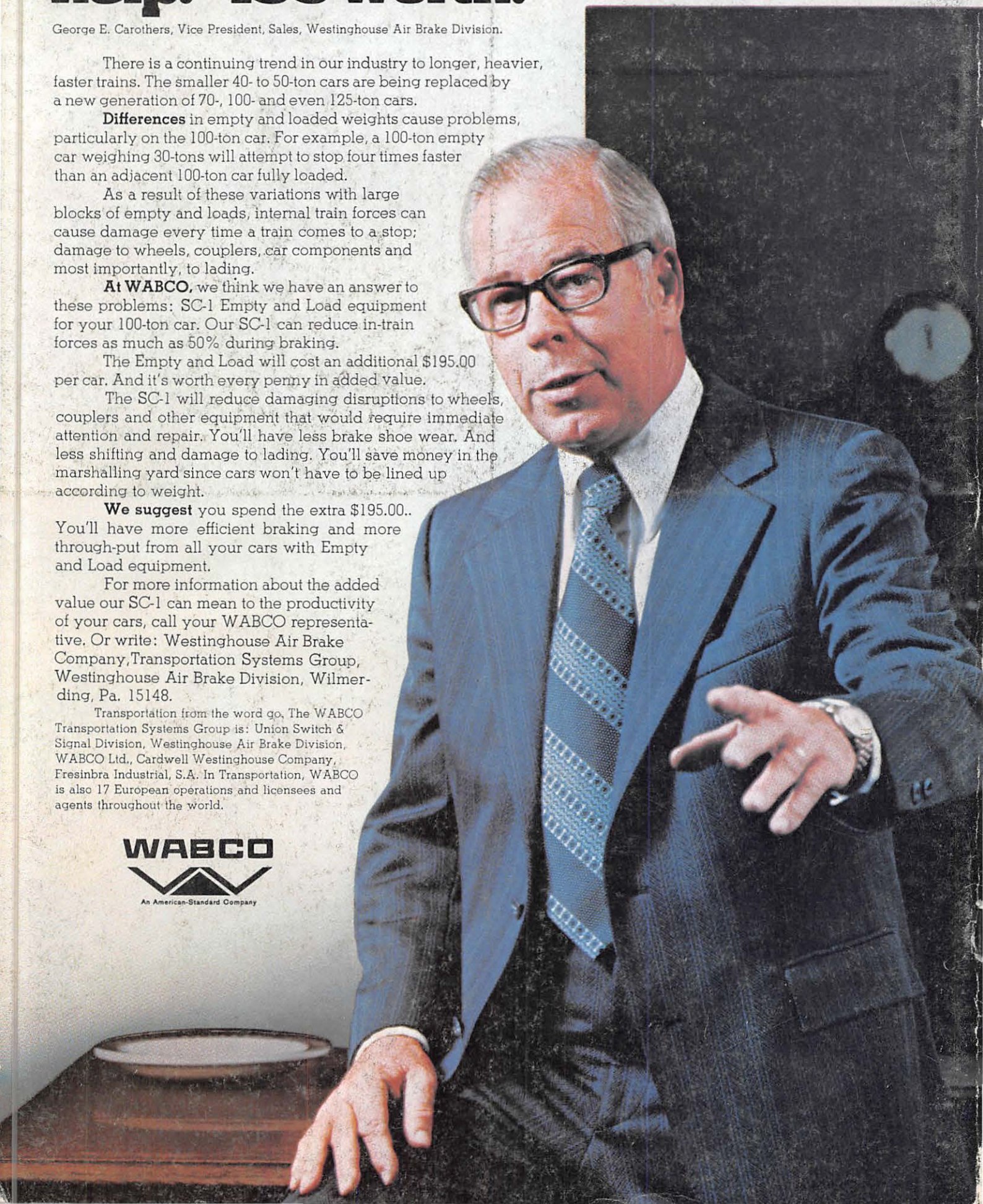
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